

STATE of RHODE ISLAND  
2000 Statement of Activities (SOA)

Section 533  
Housing Preservation Grants Program  
(Revised 7/17/2000)

Peder Schaefer  
Chief, Municipal Affairs - Community Development

Jeffrey A. Gofton  
Supervisor of Community Development

SF-424

## Statement of Activities

Complete discussion of the type of and conditions for financial assistance for housing preservation, including whether the request for assistance is for a homeowner assistance program, a rental property assistance program, or a co-op assistance program.

### ***General***

Regulations at Section 1944.652(b) state that the U.S. Department of Agriculture, Rural Development (RD) intends to permit grantees considerable latitude in program design and administration. The program outlined by the State of Rhode Island, Municipal Affairs, Community Development in this Statement of Activities provides the greatest long-term benefit to the greatest number of very-low and low-income rural residents of the State.

The program, as proposed, is innovative and replicable by other states. This proposal is consistent with the federal movement to consolidate programs and delegate decision making authority to the local jurisdictional level, who are best able to identify their needs and allocate resources appropriately. Through collaboration, this proposal links, on a State level, several federal agencies including the USDA Rural Development (RD), Housing and Urban Development (HUD) and Department of Energy (DOE). Additionally, it facilitates statewide inter-agency and departmental cooperation, increasing the effectiveness of the limited resources available under various programs.

### ***Overview/Background***

Rhode Island proposes to operate a homeowner assistance program, which would provide grants to eligible homeowners to reduce the cost of repair and rehabilitation, to remove or correct health or safety hazards, to comply with applicable development standards or codes or to make needed repairs to improve the general living conditions of the residents(s), including improved accessibility by handicapped persons. This program is for the benefit of very low- and low-income residents and is limited to the rural areas of Rhode Island (See page 24 for a detailed listing of eligible areas).

Under Section 533 of the Housing Act of 1949, 42 U.S.C. 1490(m), this program is intended to provide funds to eligible applicants to conduct housing preservation programs benefiting very low- and low-income rural residents. Housing preservation is defined as repair and rehabilitation activities that contribute to the health, safety and well-being of the occupant(s), and contribute to the structural integrity or long-term preservation of the unit.

The program will be administered by the Rhode Island Municipal Affairs, Community Development (MA/CD) office. The MA/CD currently administers the Small Cities Community Development Block Grant (CDBG) Program for the 33 small cities and towns that do not receive allocations directly from the U.S. Department of Housing and Urban Development. The primary purpose of the Small Cities CDBG program is the development of viable communities by providing decent housing, a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income (the terms low and moderate income coincide directly with HUD's published very low- and low-income limits). The communities served by the State CDBG program include all those communities eligible, with the exception of that portion of Cranston, under the Section 533, Housing Preservation Grants Program.

Rhode Island's priorities under the CDBG program are housing, economic development and neighborhood revitalization. To this end, the State CDBG program has provided substantial amounts of funds to local cities and towns to conduct housing rehabilitation programs. Many communities administer these programs themselves or have participated in regional housing consortia who have operated multi-town housing rehabilitation programs taking advantage of the economies of scale relative to administration that can be realized through such collaboration.

Those CDBG funds used for housing rehabilitation and ancillary purposes will serve to leverage/supplement the R.I. HPG program. For a more comprehensive listing of funds provided by the State's CDBG program to the rural areas, please see page 48.

Although the CDBG program has contributed substantial resources to housing rehabilitation, the program lacks the ability alone to meet the entire need. Using HPG funds in collaboration with CDBG monies maximizes the benefit of both programs. CDBG is able to absorb local administrative costs, freeing up more funds to be used for grant purposes. The application is designed to maximize coordination and to leverage funds in the same geographic areas for repair and rehabilitation, funded through HUD (CDBG/HOME), Program Income, DOE (Weatherization) and local funds. See page 48 for a more detailed description of other funds available.

All administration monies retained under this program will be to support State administrative staff costs as detailed on page 34. Local administration costs relative to all rehabilitation programs (including CDBG, HOME, USDA RD, Program Income) are currently supported through the State's CDBG program.

The State believes operating a program in the following manner provides the greatest benefit to eligible constituents and undoubtably maximizes the range of funds.

### *Process*

The following outlines the process the State intends to utilize in the operation of the Rhode Island Housing Preservation Grants program (R.I. HPG).

The first six months of this program (estimated at 9/1/2000-3/1/2001) will be open to those rural communities eligible to receive R.I. HPG assistance with populations of 10,000 or less. It is the State's attempt to focus these funds on the smaller rural communities of the State. If funds are not completely exhausted at the end of this six month period, the program will be expanded to all eligible areas as defined by RD. A more comprehensive listing of these communities is outlined on page 38.

As noted previously, communities have in place established relationships with their constituents, residents, relative to housing rehabilitation matters. They will serve as point of contact for assistance under the R.I. HPG. Potential applicants will approach the municipality/area housing office, as appropriate, and, if they meet all criteria, be assisted in completing the application form. It will be determined by the point of contact the level of housing preservation assistance necessary. A preliminary review and write-up of the structure will be made to identify the level of need.

R.I. HPG homeowner applications will include, at a minimum, the following:

***STATE of RHODE ISLAND***  
***Prerehabilitation Form, MA/CD 533-00-01***

Address of property to be rehabilitated:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Has owner occupied site to be rehabilitated more than one year prior to rehabilitation:

Yes	No
(Circle One)	

Household Income\*: \$

Person, Point of Contact, who assisted in completing this form:

Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_

5

Characteristics of person(s) living in the dwelling to be assisted with HPG funds for all or part of the next 12 months:

Name	Age	Wht	Blk	His	Ai/An	Asn/PI
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

(Ai/An = American Indian/Alaskan Native; Asn/PI = Asian/Pacific Islander)

***(NOTE: The racial/ethnic information solicited on this application is requested by the State in order to assure the Federal Government, acting through the US Department of Agriculture, Rural Development (RD) that the Federal laws prohibiting discrimination against applicants on the basis of race, color, national origin, religion, sex, familial status, age and handicap are being complied with. You are not required to furnish this information but are encouraged to do so. This information will not be used in evaluating your application or to discrimination against you in any way. However, if you choose not to furnish it, the application Point of Contact is required to note the race/national origin and sex of the individual applicants on the basis of visual observation or surname.)***

Number of bedrooms in proposed unit: \_\_\_\_\_

Year Structure Built: \_\_\_\_\_

***(Note: If built prior to 1978, must consider potential lead paint hazards)***

Total Estimated Rehabilitation Costs: \$\_\_\_\_\_

Total RI HPG Assistance Requested: \$\_\_\_\_\_

***(Note: May not exceed \$10,000)***

Will relocation expenses be necessary? Yes                      No

(Circle One)

If Yes, please detail: \_\_\_\_\_

Amount Needed: \$\_\_\_\_\_

Describe requested rehabilitation activities to be completed:  
*(Attach work write-up to Prerehabilitation Form. Write-up should be presented in such a way as to assure that Contractors can bid on the project consistently)*  
*(Take directly from list of eligible activities, as applicable)*

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*Please note the following requirements:*

- \* *Rehabilitation must be for eligible HPG activities;*
- \* *The applicant must have owned the dwelling to be rehabilitated at least 1 year prior to assistance;*
- \* *The applicant must be the intended occupant subsequent to assistance;*
- \* *The applicant's income must not exceed the 'lower limits' according to size of household as described by HUD; and*
- \* *The units to be rehabilitated must be in an eligible rural area.*

Environmental Review:  
*(Circle all which were applicable to this project)*

Flood Zone	Yes	No
Wetland	Yes	No
Historic Property	Yes	No

We have considered this dwelling under USDA RD's environmental and historic preservation requirements for a HPG (Section 1944.672 and 1944.673 of this subpart) and an environmental assessment was not required. The review was completed in accordance with the process to identify property requiring a USDA RD environmental assessment approved with the State's Statement of Activities.

Attach: Certification relative to FmHA Thermal Standards. All units must be brought up to these standards.

Attach: Required Backup Documentation relative to income and eligibility.

NOTE: Funds will be awarded on a first-come, first-serve basis. The State does not guarantee monies will be available to fund this application. Any application which is submitted to MA/CD incomplete/deemed ineligible will not have funds committed to it and be returned to the application Point of Contact.



If multiple applications are received concurrently, and funds are insufficient to fund all applications, preference will be given to application(s) which eliminate overcrowding or which provide the greatest benefit to very low-income persons in accordance with the State's program design.

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Applicant's (Homeowner) Signature                      Date

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Preparer's (Point of Contact) Signature                      Date

IN ACCORDANCE WITH FEDERAL LAW AND U.S. DEPARTMENT OF AGRICULTURE POLICY, THIS INSTITUTION IS PROHIBITED FROM DISCRIMINATING ON THE BASIS OF RACE, COLOR, NATIONAL ORIGIN, SEX, AGE, OR DISABILITY. (NOT ALL PROHIBITED BASES APPLY TO ALL PROGRAMS).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whiten Building, 1400 Independence Avenue, SW, Washington, DC, 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

***STATE of RHODE ISLAND***

***FmHA Thermal Standards Certification, MA/CD 533-00-02***

I hereby certify that Thermal Performance requirements (FmHA's thermal standards for existing structures) will be met in the following home assisted prior to the completion of the HPG funded work.

Address: \_\_\_\_\_

Homeowner(s) Name: \_\_\_\_\_

Agency conducting energy inspection: \_\_\_\_\_

Source of funds  
for energy improvements: \_\_\_\_\_

\_\_\_\_\_  
Signature Date

(Agency which will fund improvements if necessary)

Property owner name: \_\_\_\_\_

Phone number: \_\_\_\_\_

Address of property rehabilitated:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Have all items listed on Prerehabilitation Form been completed?	Yes	No
Have all items noted during preliminary/initial inspection been completed?	Yes	No
Was work done satisfactorily?	Yes	No
Is owner satisfied with work which was done?	Yes	No
Was the unit(s) brought up to Maintenance and Occupancy Code standards?	Yes	No

(Note: subsequent to completion, the project must be inspected by a disinterested third-party, such as the local city/town building code inspector/area housing office code inspector)

Owner Occupied:                      Yes          No  
    (Circle One)

Name	Age	Wht	Blk	His	Ai/An	Asn/PI
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

(Ai/An = American Indian/Alaskan Native; Asn/PI = Asian/Pacific Islander)

***(NOTE: The racial/ethnic information solicited on this application is requested by the State in order to assure the Federal Government, acting through the US Department of Agriculture, Rural Development (RD) that the Federal laws prohibiting discrimination against applicants on the basis of race, color, national origin, religion, sex, familial status, age and handicap are being complied with. You are not required to furnish this information but are encouraged to do so. This information will not be used in evaluating your application or to discrimination against you in any way. However, if you choose not to furnish it, the application Point of Contact is required to note the race/national origin and sex of the individual applicants on the basis of visual observation or surname.)***

Total Rehabilitation Costs: \$ \_\_\_\_\_

Sources:	R.I. HPG Program	\$ _____
	_____	\$ _____
	_____	\$ _____
	_____	\$ _____

Point of Contact - Signature, Name and Title	_____
Date	_____

Once the application has been completed and the applicant has been deemed eligible to receive assistance in accordance with the eligibility criteria outlined below, the application will be forwarded to the State for processing. The State will obligate funds to projects on a first-come, first-serve basis, maximum award will be \$10,000 per project. If multiple applications are received concurrently, and funds are insufficient to fund all applications, preference will be given to application(s) which eliminate overcrowding as defined by Section 1944.656. If applications are still equal after review of this criteria, the application(s) providing the greatest benefit to very low-income persons will be given priority consideration.

This program will fund grants to very low- and low-income homeowners for the purpose of housing rehabilitation. The program itself will be leveraged/supplemented by other sources as identified on page 48.

Once funds have been committed to a project, a contract will be developed with the point of contact relative to the specific project(s) being funded. The point of contact will be responsible for project oversight to assure that program regulations are adhered to. The State will retain administrative responsibility for the program and will oversee all project materials to further verify adherence to program regulations. The State currently has in place, monitors who regularly review local city and town rehabilitation programs. As a logical extension of these duties, as part of their review, the State monitors will review grants made by the State under the HPG program.

Once funds have been obligated, the project will go through applicable procurement procedures. Regulations at 24 CFR Part 85.36 provides minimum standards for the procurement of supplies, equipment, construction and other services to ensure that materials and services are purchased in a cost efficient manner. These regulations will be complied with, at a minimum, in all rehabilitation cases. This office promotes the participation of minority and women business enterprises. Once a Contractor has been chosen, contracts will put in place between the contractor and the homeowner. The project will then be rehabilitated.

Once rehabilitation has been completed, funds will be drawdown from the State. The request will be submitted by the point of contact on behalf of the homeowner and will accompany required reporting forms. The State will process payments only after receipt of such request for payment. Drawdown procedures are outlined in more detail on page 44. Checks will be issued either to the City/Town/Point of contact if the funds were paid out on a reimbursement basis or by a joint check which would be issued to the homeowner and the contractor to assure funds are furnished to the contractor.

The project, subsequent to completion, will be inspected by a disinterested third-party, the local city/town building code inspector/area housing office code inspector. Any problem identified through such inspection will be brought immediately to the State's attention for action. The results of the inspection will be kept on file at the Town and State staff will review such as part of it's next regular monitoring of the Town rehabilitation program.

The State has developed appropriate forms for the operation of this program. These forms may be revised/updated as deemed necessary and appropriate after further review.

The State will cumulate all reporting forms and evaluate the effectiveness of the program on a quarterly basis in its reports to RD. A more comprehensive treatment of the report to be submitted in on page 46.

### ***Displacement***

In accordance with Section 104(a) of the Housing and Community Development Act, the State shall specify steps to be taken to minimize the displacement of persons from homes.

The RI HPG program, as proposed, has insufficient funds to conduct major rehabilitation to the structures it assists; all units assisted will not change use. The State therefore does not anticipate displacing, permanently or otherwise, any homeowners due to the implementation of this program.

Consistent with the goals and objections of the HPG program, the State shall assure that they take all reasonable steps to minimize displacement as a result of the project.

The State will comply with HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition in the implementation of its program. The purpose of the handbook is to consolidate basic statutory and regulatory requirements that must be followed by an agency that carries out real property acquisition or the displacement of a person for a project or program for which financial assistance is provided. Most of the policies and procedures contained in this handbook are required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. A full copy of HUD Handbook 1378 containing a more detailed description of applicable procedures, can be obtained by contacting Michael Tondra at (401) 222-4411.

Prior to rehabilitation, each occupant of the property shall be notified that the project has been proposed and caution the person not to move and explain that the person will not be displaced or, if there is a possibility that the person may be displaced, including information as outlined below.

Persons to be displaced, permanently or temporarily, will be provided notice that:

- a) Explains that a project has been proposed and caution the person not to move before the project is approved and the person receives a notice of eligibility for relocation assistance;
- b) Generally describe the relocation payments for which the person may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payments;
- c) Inform the person that he or she will be given reasonable relocation advisory services including referrals to replacement properties, help in filing payment claims, and other necessary assistance to help the person successfully relocate;
- d) Inform the person that he or she will not be required to move without at least 90 days advance written notice and inform any person to be displaced from a dwelling that he or she will not be required to vacate the property earlier than 90 days after at least one comparable replacement dwelling has been made available; and
- e) Describe the person's right to appeal the agency's determination as to the person's eligibility for relocation assistance or the amount of such assistance. When applicable, explain a residential occupant's right to appeal the acceptability of the comparable replacement dwelling(s) to which the person has been referred.'

When necessary or appropriate, residential tenants who will not be required to move permanently, may be required to relocate temporarily during the period of repairs and/or rehabilitation to

the units or dwellings. All conditions of temporary relocation must be reasonable. At a minimum, the tenants shall be provided.

- a) Reimbursements for all reasonable out-of-pocket expense incurred in connected with the temporary relocation including the cost of moving to and from the temporarily occupied housing and any increase in monthly rent/utility costs at such housing.
- b) Appropriate advisory services, including reasonable advance written notice of (1) the date and approximate duration of the temporary relocation; (2) the address of the suitable, decent, safe and sanitary dwelling to be made available for the temporary period; (3) the terms and conditions under which the tenant may lease and occupy a suitable, decent, safe and sanitary dwelling in the building/complex upon completion of the project; and (4) the provisions of a) above.

The level of relocation payments will be determined by the situation of the homeowner/resident. The payments ceiling will range from \$5,250 - \$22,500, but would in all likelihood be considerably less than either since this program deals only with potential temporary relocations.

The period of relocation will be from the start to the completion of rehabilitation to the unit.

Funds for the temporary relocation of these tenants will come from the R.I. HPG pool of monies that are available and will not be counted against the \$10,000 cap placed on individual projects. Common sense planning is necessary to ensure that sufficient funds will be budgeted to comply with applicable law and regulations. The MA/CD, R.I. HPG program will bear the costs of any relocation payments, temporary or permanent.

A flow chart showing the tenant assistance/relocation process proposed under this program is shown at the end of this section.

### ***Eligibility***

A project will be deemed eligible to apply for R.I. HPG assistance if it meets the following criteria:

- \* The homeowner/applicant must have an adjusted annual income that does not exceed the "lower" income limits according to size of household as established by the U.S. Department of HUD for the application municipalities (see income limits at end of section);



- \* The homeowner/applicant must own dwelling to be rehabilitated at least 1 year prior to assistance;
- \* The homeowner/applicant must be the intended occupant subsequent to assistance;
- \* The dwelling to be rehabilitated must be located in a rural area and be in need of housing preservation assistance.

(Note that income and ownership documentation will be required)

The following are deemed eligible RI HPG activities:

- \* Installation and/or repair of sanitary water and waste disposal system, together with related plumbing and fixtures with will meet local health department requirements.
- \* Energy conservation measures such as insulation; and combination screen-storm windows and doors.
- \* Repair or replacement of the heating system including the installation of alternative system such as woodburning stoves or space heaters, when appropriate and if local codes permit;
- \* Electrical wiring;
- \* Repair of, or provision for, structural supports and foundations;
- \* Repair or replacement of the roof;
- \* Replacement of severely deteriorated siding, porches or stoops;
- \* Alternations of the units's interior/exterior to provide greater accessibility for any handicapped person;
- \* For properties listed on or eligible for the National Register of Historic Places, activities associated with conforming repair and rehabilitation activities to the standards and/or design comments resulting from the consultation process conducted in Section 1944.673 of this subpart.

- \* Necessary repairs to manufactured housing provided the recipients owns the home and the site on which the home is situated and the homeowner has occupied that home on that site for at least 1 year prior to receiving HPG assistance; and the manufactured housing is on a permanent foundation or will be put on a permanent foundation with HPG funds;
- \* Additions to any dwelling (convention or manufactured) only when it is clearly necessary to alleviate overcrowding or to remove health hazards to the occupants; or
- \* R.I. HPG funds may be used for payment of incidental expenses directly related to accomplishing authorized activities such as fees for connection of utilities (water, sewer, gas, electric), credit reports, surveys, title clearance, loan closing, inspections, and architectural and other technical services. All fees will be in accordance with local prevailing rates and so documented.
- \* HPG funds may be used to make improvements where they do not contribute to the health, safety and well being of the occupant or do not materially contribute to the structural integrity or long-term preservation of the units. (20% cap of such uses and such work must be combined with improvements listed as eligible) These improvements may include painting, paneling, floor cover, including carpeting, improving clothes closet or shelving; improving kitchen cabinets, air conditioners, or landscape plantings.

## Statement of Activities

The process for selecting recipients for HPG assistance, determining housing preservation needs of the dwelling, performing the necessary work, and monitoring/inspecting work performed.

Potential applicants will approach the municipality/area housing office, as appropriate, and, if they meet all applicable criteria, be assisted in completing the application form which will be submitted to the State MA/CD.

The application point of contact, either municipality or area housing office, will review the application and determine the level of housing preservation need of the dwelling. A preliminary site visit will be made to review the dwelling for signs of deficiency and to assure that the assistance will bring the unit up to Maintenance and Occupancy Code Standards.

Once the application has been completed and the applicant has been deemed eligible to receive assistance in accordance with the eligibility criteria outlined below, the application will be forwarded to the State for processing. The State will obligate funds to projects on a first-come, first-serve basis, maximum award will be \$10,000 per project. If multiple applications are received concurrently, and funds are insufficient to fund all applications, preference will be given to application(s) which eliminate overcrowding as defined by Section 1944.656. If applications are still equal after review of this criteria, the application(s) providing the greatest benefit to very low-income persons will be given priority consideration.

The first six months of this program (estimated at 9/1/2000-3/1/2001) will be open to those rural communities eligible to receive R.I. HPG assistance with populations of 10,000 or less. It is the State's attempt to focus these funds on the smaller rural communities of the State. If funds are not completely exhausted at the end of this six month period, the program will be expanded to all eligible areas as defined by RD. A more comprehensive listing of these communities is outlined on page 38.

Once funds have been obligated, the project will go through applicable procurement procedures. Regulations at 24 CAR Part 85.36 provides minimum standards for the procurement of supplies, equipment, construction and other services to ensure that materials and services are purchased in a cost efficient manner. These regulations will be complied with, at a minimum, in all rehabilitation cases. This office promotes the participation of

minority and women business enterprises. Once a Contractor has been chosen, contracts will be put in place between the contractor and the homeowner. The project will then be rehabilitated.

Once rehabilitation has been completed, funds will be drawn down from the State. The request will be submitted by the point of contact on behalf of the homeowner and will accompany required reporting forms. The State will process payments only after receipt of such request for payment. Drawdown procedures are outlined in more detail on page 44. Checks will be issued either to the City/Town/Point of contact if the funds were paid out on a reimbursement basis or by a joint check which would be issued to the homeowner and the contractor to assure funds are furnished to the contractor.

The project, subsequent to completion, will be inspected by a disinterested third-party, the local city/town building code inspector/area housing office code inspector. Any problem identified through such inspection will be brought immediately to the State's attention for action. The results of the inspection will be kept on file at the Town and State staff will review such as part of its next regular monitoring of the Town housing rehabilitation program.

R.I. HPG homeowner applications will include, at a minimum, the following:

- \* Name and address of recipient;
- \* Age and number of persons living in dwelling or unit to be assisted with HPG funds for all or part of the next 12 months;
- \* Household income;
- \* Applicant's signature;
- \* Date application completed by applicant;
- \* Race or ethnic group and sex designation of the persons living in the dwelling. Race categorized as follows: White, black (non-hispanic), American Indian or Alaskan Native, Hispanic, Asian/Pacific Islander.
- \* Statement that the recipient is providing this information on a voluntary basis to enable the monitoring and compliance with Federal laws prohibiting discrimination. (When the recipient does not provide this information, the person assisting at the local level with the preparation of this application will fill in this information based on personal observations and indicate on the recipient's application who completed this information).

***Eligibility***

A project will be deemed eligible to apply for R.I. HPG assistance if it meets the following criteria:

See Page 10-12

## Statement of Activities

A description of the process for identifying potential environmental impacts in accordance with Section 1944.672 of this subpart, and the provision for compliance with Stipulation I, A-G of the PMOA (FmHA Instruction 2000-FF available in any FmHA office) in accordance with S1944.673 (b) of this subpart. With the exception of Stipulation I, D of the PMOA, this may be accomplished by adoption of Exhibit F-2 of this subpart (available in any FmHA office), or another process supplying similar information acceptable to FmHA.

The use of HPG funds by the grantee to repair or rehabilitate a specific dwelling is generally exempt from USDA RD environment review. However, if such dwelling are located in a floodplain, wetland, or the proposed work is not concurred with by the Advisory Council on Historic Preservation under the requirements of Section 1944.673 of this subpart, a USDA RD environment review is required. Dwellings within the Coastal Barrier Resources System are not eligible for HPG assistance.

The State has adopted Exhibit F-2, immediately following this section, of this subpart as it's general procedures for identifying, before beginning work on a particular dwelling, properties requiring USDA RD Environmental Assessments.

When a dwelling requires an environmental assessment, the State MA/CD will contact the USDA RD office prior to approval of HPG assistance. An environmental assessment will be completed prior to the obligation or expenditure of funds.

Each file will contain documents on the process used to assure historic preservation review under Section 1944.673 of this subpart has been complied with, including all relevant review and correspondence; and determination as to whether the unit is located in a 100-year floodplain or a wetland.

A statement will be placed in each applicable file which will say: "we have considered this dwelling under USDA RD's environmental and historic preservation requirements for a HPG (Sections 1944.672 and 1944.673 of this subpart) and an environmental assessment is not required. The review was completed in accordance with the process to identify properties requiring a USDA RD environmental assessment approved with our statement of activities"

## Statement of Activities

The development standard(s) the applicant will use for the housing preservation work; and, if not the FmHA development standards for existing dwellings, the evidence of its acceptance by the jurisdiction(s) where the grant will be implemented.

The following standards will be adhered to in order to assure that all reasonable health and safety code violations in assisted structures are address in a manner to assure the well-being of the occupants.

If adequate funds are unavailable under this program and other programs to correct all reasonable health and safety code violations identified, the project would not be eligible to receive R.I. HPG funds. In such cases, the property owner may access R.I. Small Cities Community Development Block Grant or Rhode Island Housing Home Repair funds.

The State proposes to utilize the State "Housing Maintenance and Occupancy Code" requirements, Rhode Island General Laws Chapter 24.3, as the minimum development standard. All units assisted with R.I. HPG funds will, at a minimum, be brought up to Housing Maintenance and Occupancy Code standards. All rehabilitation activities conducted with R.I. HPG funds will be in compliance with the "State Building Code" requirements.

The State is in essence implementing a risk-based approach to identifying necessary work in the units to be rehabilitated with R.I. HPG funds, addressing all reasonable health and safety issues of the occupants.

### Housing Maintenance and Occupancy Code

45-24.3-2

a) It is hereby found that there is and may in the future exist within the State of Rhode Island, premises, dwelling, dwelling units, rooming units, structures, or parts thereof, which by reason of their structure, equipment, sanitation, maintenance, use or occupancy, affect or are likely to affect adversely the public health, including the physical, mental and social well-being of persons and families, safety, and general welfare. To correct and prevent the existence of these adverse conditions, and to achieve and maintain such levels of residential environmental quality as will protect and promote health, safety and general welfare, it is further found that the establishment of minimum housing standards for the State of Rhode Island is required.

b) It is hereby further found that conditions existing on blighted premises are dangerous to the public health, safety, morals and general welfare of the people, and that conditions existing on blighted premises necessitate excessive and

disproportionate expenditure of public funds for public health and safety, crime prevention, fire protection, and other public services, and that the conditions existing on blighted premises cause a drain upon public revenue, impairing the efficient and economical exercise of governmental functions in these areas.

c) It is hereby further found that the elimination of blighted premises, and the prevention of the recurrence of blighted premises, is in the best interest of the public and that the accomplishment of this end will be fostered and encouraged by the enactment of this chapter. The enactment and enforcement of this chapter is thereby declared to be essential to the public interest. It is intended that the provision of this chapter be liberally construed to effectuate its purposes heretofore stated.

45-24.3-3

**Purpose** - The purpose of this chapter shall be to protect the public health, safety and welfare by establishment minimum standards governing the condition and maintenance of all dwellings and dwelling premises or structures; establishing minimum standards governing utilities and facilities and other physical things and conditions essential to make dwellings safe, sanitary, and fit for human habilitation; fixing certain responsibilities and duties of owner, operators, and occupants of dwellings and dwelling premises and structures; fixing the conditions whereby certain dwellings or structures may be declared unfit for occupancy and condemned for human habitations; and fixing penalties for violations of this chapter.

45-24.3-4

**Applicability** - (a) Every portion of a building or its premises used or intended to be used for the purpose of dwelling, living, eating, sleeping or cooking therein, or occupancy, shall comply with the provision of this chapter and with the rules and regulations adopted pursuant thereto irrespective of when the building shall have been constructed, altered, or repaired, and irrespective of any permits or licenses which have been issued for the use or occupancy of the dwelling and dwelling premises or structure for the construction or repair of the dwelling or structure, or for the installation or repair of dwelling equipment prior to January 1, 1971. This chapter establishes minimum standards for the minimum standards for the initial and continued occupancy of all dwellings and structures, and does not replace or modify standards otherwise established by the state or a corporate units for the construction, repair or use of a building or the installation of building equipment except as they may be in conflict with the provision of this chapter as provided by S 45-24.3-19.

(b) Matters governed by and conformed to the provision of the State Building Code (S 23-27.3-100.0 et al) shall prevail for all structures, dwellings, and dwelling units constructed, altered or repaired since July 1, 1977, providing the structure, dwelling or dwelling units conform in their entirety to the prevailing edition of the building codes in effect at the time of construction or occupancy, as evidence by the date of issuance of



a building permit issuance or date of issuance of a certificate of occupancy.

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45-24.3-7

**Minimum standards for basic equipment and facilities - No person shall occupy as owner or occupant, or let to another for occupancy, any dwelling or dwelling unit for the purposes of living, sleeping, cooking or eating therein, which does not comply with the following requirements:**

(1) Every dwelling unit shall have a room or portion of a room in which food may be prepared and/or cooked, which shall be an adequately circulated area and which shall be equipped with the following.

(A) A kitchen sink in good working conditions and properly connect to a water supply system which is approved by the appropriate authority, and which provides, at all times an adequate amount of heated and unheated running water under pressure, and which is connected to a sewer system or septic tank which is approved by the appropriate authority.

(B) Cabinets and/or shelves for the storage of eating and drinking and cooking equipment and utensils, and of food that does not, under ordinary maximum summer conditions, require refrigeration for safe keeping, and a counter or table for food preparation; the cabinets and/or shelves shall be adequate for the permissible occupancy of the dwelling unit and shall be of sound construction finished with surfaces that are easily cleanable and that will not impart any toxic or deleterious effect to food.

(C) A stove, or similar device, for cooking food, and a refrigerator, or similar device, for the safe storage of food at temperatures less than fifty degrees fahrenheit, but more than thirty-two degrees under ordinary maximum summer conditions, which are properly installed with all necessary connections for safe sanitary, and efficient operation, provided that the stove, refrigerator, and/or similar devices, need not be installed when a dwelling unit is not occupied and when the occupant is expected to provide these on occupancy, and that sufficient space and adequate connections for the safe and efficient installation and operation of the stove, refrigerator, and/or similar devices is provided.

(2) Within every dwelling unit there shall be a nonhabitable room which is equipped with a flush water closet and lavatory basin in good working condition. The flush water closet shall be equipped with easily cleanable surfaces, be connected to a water system that at all times provides an adequate amount of running water under pressure so as to cause the water closet to be operated properly, and shall be connected to a sewer system or septic tank which is approved by the appropriate authority, and the lavatory basin shall be equipped with easily cleanable

surfaces and be in good working condition, and properly connected to an approved water supply system which provides adequate heated and unheated running water under pressure at all times, and connected to a sewer or septic system approved by the appropriate authority.

(3) Within every dwelling unit there shall be a room, which affords privacy to a person within that room and which is equipped with a bathtub or shower in good working conditions. The bathtub or shower may be in the same room at the flush water closet or in another nonhabitable room, and shall be properly connect to a water supply system which is approved by the appropriate authority and which provides at all times an adequate amount of heated and unheated running water under pressure, and which is connected to a sewer system or septic tank which is approved by the appropriate authority.

(4) Every dwelling unit above the first floor shall have approved dual means of egress, with a minimum head room of six foot (6'), leading to safe and open space at ground level. Every dwelling unit in a multiple dwelling shall have immediate access to two (2) or more approved means of egress, one of which will have a minimum head room of six foot (6'), six inches (6"), leading to safe and open space at ground level, or as required by the laws of this State and the appropriate authority.

45-24.3-8

**Minimum standards for light and ventilation** - (a) No person shall occupy as owner or occupant, or let to another for occupancy, any dwelling or dwelling unit, for the purpose of living therein, which does not comply with the requirements of this section.

(b) Every habitable room shall have at least one window or skylight facing directly outdoors (provided that if connected to a room or area used seasonally (e.g, porch) then adequate daylight must be possible through interconnected). The minimum total window area, measured between stops, for every habitable room shall not be less than ten (10%) of the floor area of that room. Whenever walls, or other portions of structures, face a window of the room, and light obstructing structures are located less than three feet (3') from the window and extend to a level above that of the ceiling of the room, the window shall not be deemed to face directly to the outdoors and shall not be included as contributing to the required total window area of the skylight shall equip at least ten percent (10%) of the total floor area of the room. Each window shall be not less than three (3) square feet in area.

(c) Every habitable room shall have at least one window or skylight facing directly outdoors which can be easily opened, or such other device as will adequately ventilate the room, provided, that, if connected to a room or area used seasonally, then adequate ventilation must be possible through this interconnect. The total of openable window area in every habitable room shall be equal to at least fifty percent of the minimum window area size, or minimum skylight type window size, as required in this section except where there is supplied some

other device affording adequate ventilation and lighting approved by the appropriate authority.

(d) Every bathroom and water closet compartment and nonhabitable room used for food preparation shall comply with the light and ventilation requirements for habitable room contained in this section, except that no window or skylight shall be required in adequately ventilated bathrooms and water closet compartments equipped with a ventilation system which is approved by appropriate authority.

(e) Where there is useable electric service available from power lines, which are not more than three hundred (300') away from a dwelling, every dwelling units, and all public and common areas, shall be supplied with electric service, outlets and fixtures which shall be properly installed, shall be maintained in good and safe working conditions, and shall be connected to the sources of electric power in a manner prescribed by the ordinances, rules, and regulations of the corporate unit. The minimum capacity of these services, and the minimum number of outlets and fixtures, shall be as follows:

(1) Every habitable room shall have electric service and outlets and/or fixtures capable of providing at least three watts per square foot of floor area.

(2) Every habitable room and nonhabitable room used for food preparation shall have at least one floor or wall type electric convenience outlet for each sixty (60) square feet, or fraction thereof, of floor area, and in no case less than two outlets.

(3) Every water closet compartment, bathroom, and kitchen or kitchenette, laundry room, furnace room, and public hall shall contain at least one supplied ceiling, or wall, electric light fixtures.

(4) Convenient switches or equivalent devices for turning on one light in each room or passageway shall be located so as to permit the area ahead to be lighted.

(5) Every public hall and stairway in every multiple dwelling shall be adequately lighted by natural or electric light at all times so as to provide in all parts thereof at least six (6) footcandles of light at the tread or floor level. Every public hall and stairway, in structures containing not more than three (3) dwelling units, may be supplied with conveniently located light switchers, controlling an adequate lighting system which may be turned on when needed, instead of full time lighting.

45-24.3-9

**Minimum thermal standard for heating** - No person shall occupy, as owner or occupant, or let to another for occupancy, any dwelling or dwelling unit, for the purpose of living therein, which does not comply with the following requirements:

(1) Every dwelling shall have heating facilities which are properly installed and are maintained in safe and working conditions, and are capable of safely and adequately heating all habitable rooms, bathrooms, and water closet compartments in every dwelling unit located therein at a distance of eighteen

inches (18") above the floor level under average winter conditions to a temperature of at least sixty-eight degrees fahrenheit.

(2) Unvented flame space heaters are prohibited in any dwelling or dwelling units except as provided in S 45-24.3-9.2. No owner or occupant shall install, operate, or use a space heater employing a flame that is not vented outside the structure in an approved manner, except those unvented portable space heaters which conform to the provision of S 45-24.3-9.2. Portable electric heaters, approved under the appropriate local and state electrical and/or fire prevention code, are acceptable where they meet the above provision of this section.

#### 45-24.3-9.2

**Unvented portable space heaters** - (a) "Unvented portable space heater", as used herein, shall mean non-flute connected, self-contained, self supporting, oil-fueled heating appliance equipped with an integral reservoir designed to be carried from one room to another.

(b) "Oil" as used herein shall mean any liquid fueled with a flash point of greater than one hundred degrees fahrenheit, including but not limited to, kerosene.

(c) "Listed", as used herein, shall mean any unvented portable space heater which has been evaluated with respect to reasonably foreseeable hazards to life and property by the nationally recognized testing or inspection agency, including, but not limited to, an organization such as underwriters laboratories, inc., and which has been listed as being reasonably safe for its specific purpose and shown in a list published by the agency and/or bears the mark, name, and/or symbol of the agency as indication that it has been so listed.

(d) Listed unvented portable space heaters which comply with the requirements set forth in subsection (e) of this section may be offered for sale, sold, and used in any dwelling or dwelling unit.

(e) Unvented portable space heaters must adhere to the following requirements.

(1) Unvented portable space heaters must have labeling affixed thereto such as to caution and inform concerning:

- (i) Provision of an adequate source of ventilation when the heater is in operation;
- (ii) Use of only suitable fuel for the heater;
- (iii) Property manner of refueling;
- (iv) Property placement and handling of the heater when in operation;
- (v) Property procedures for lighting, flame regulation, and extinguishing the heater; and
- (vi) Prohibition on use of unvented portable space heaters in sleeping areas which particular label must be permanently affixed thereto;

(2) Unvented portable space heaters must be packaged with instruction such as to inform consumers regarding property maintenance and operation, including, as a minimum,

information regarding the provision set forth in subsections (e)(1)(i) through (e)(1)(vi) of this section;

(3) Unvented portable space heaters must be constructed with a low center of gravity and minimum tipping angle of thirty-three degrees from the vertical with an empty reservoir;

(4) Unvented portable space heaters must have an automatic safety shut off device or inherent design feature which eliminates fire hazards in the event of tipover and otherwise conform with the standards set forth in National Fire Protection Association (NFPA) No. 31;

(5) Unvented portable space heaters must not produce carbon monoxide at rates which create a hazard when operated as intended and instructed; and

(6) A notice containing the following must be delivered with each unit sold:

(i) Unvented portable space heaters that incorporate electric component shall be connected to grounded outlets;

(ii) A portable fire extinguisher shall be required in close proximity to unvented portable space heaters;

(iii) A smoke detector shall be required in the area where an unvented portable space heater is to be used.

45-24.3-10

**General requirements relating to the safe and sanitary construction and maintenance of parts of dwellings and dwelling units** - No person shall occupy, as owner or occupant, or let to another for occupancy, any dwelling or dwelling unit, for the purpose of living therein, which does not comply with the following requirements:

(a) Every foundation, floor, roof, ceiling, and exterior and interior shall be reasonably weathertight, watertight, and damp free, and shall be kept in sound condition and good repair. Floors, interior walls, and ceilings shall be sound and in good repair. All exterior wood surfaces, other than decay resistant woods, shall be protected from the elements and decay by paint or other protective covering or treatment. Potentially hazardous materials will not be used where readily accessible to children. Walls shall be capable of affording privacy for the occupants. Every premise shall be graded, drained, free of standing water, and maintained in a clean, sanitary, and safe condition.

(b) Potentially hazardous material on the interior surfaces in any dwelling unit, rooming house, rooming unit, or facility occupied by children is prohibited. The interior surfaces include, but are not limited to, window sills, window frames, doors, door frames, walls, ceilings, stair-rails and spindles, or other appurtenances.

(c) Lead-based substances are prohibited wherever circumstances present a clean and significant health risk to the occupants of the property, as defined by regulations of the Department of Health.

(d) In each instance where there is reason to believe that lead-based substances are present, the enforcing officer shall

confirm whether suspect substances are lead-based by arranging for a comprehensive environmental lead inspection which conforms to department of health regulations.

(e) In all instances where substances are confirmed to be lead-based by an environment lead inspection, and there exists a lead exposure hazard, the enforcing officer shall identify necessary lead hazard reductions that must be taken pursuant to the Department of Health regulations.

(f) In all instances where lead-based substances are identified on a dwelling, a dwelling unit, or premises occupied by a child suffering from "lead poisoning", as defined in the Rhode Island Lead Poisoning Prevention Act, Sections 23-24.24.6-1 through 23-24.6-26, the enforcing officer shall consider these instances under "emergencies", pursuant to Section 45-24.3-21.

(g) During the portion of the year when there is a need for protection again mosquitoes, flies and other flying insects, every door, opening directly from a dwelling units to outside place, shall have a self-closing device; and every window, door or other device with opening to outdoor space, used or intended to be used for ventilation, shall be supplied with screens.

(h) Every window located at or near ground level, used or intended to be used for ventilation, and every other opening located at or near ground level which might provide an entry for rodents, shall be supplied with adequate screens or such other devices as will effectively prevent their entrance.

(i) Every dwelling or accessory structures and the premises upon which they are located shall be rodent-proofed and maintained so as to prevention rodents' harborage.

(j) All opening in the exterior walls, foundation, basement, ground or first floors, and roofs which have a half-inch (1/2") diameter or more opening shall be rat-proofed in an approve manner if they are within forty-eight inches (48") of the existing exterior ground level immediately below these opening, or if they may be reached by rates from the ground by climbing unguarded pipes, wires, cornices, stairs, roofs and other items such as trees or vines or by burrowing.

(k) Skirting, lattice, or other non-rat-proofed enclosures displaying evidence of rat harborage under a porch or any portion of a building shall be rat-proofed at all locations where evidence of burrowing or gnawing was found.

(l) In the event that occupancy usages would result in stacking or piling materials, the materials shall be so arranged as to prohibit the creation of a harborage area. This can be accomplished by orderly stacking and elevating so that there will be a twelve inch (12") opening between the material and the ground level. No stacking or piling of material shall take place against the exterior walls of the structure.

(m) All door, including swinging, sliding, and folding types, shall be constructed so that the space between the lower edge of the door and the threshold shall not exceed three-eight inches (3/8"); provided further, that the space between sections of folding and sliding doors when closed shall not exceed three-eights inch (3/8").

(n) Basement floors and/or the floors and areas in contact

with the soil, and located at a maximum depth of four feet (4') or less from the grade line, shall be paved with concrete or other rat impervious materials.

(o) Any materials used for rodent control shall be acceptable to the appropriate authority.

(p) All fences provided by the owner or agent on the premises, and/or all fences erected or caused to be erected by an occupant, shall be constructed of manufactured metal fencing materials, wood, masonry, or other inert materials. These fences shall be maintained in good condition. Wood materials shall be protected against decay by use of paint or other preservative. The permissible height and other characteristics of all fences shall conform to the appropriate statutes, ordinances, and regulations of this state, and the corporate unit. Wherever this is any egress from the dwelling opens into the fenced area, there shall be a means of egress from the premises to any public way adjacent thereto.

(q) Accessory structures present or provided by the owner, agency, or tenant occupant on the premises shall be structurally sound, and be maintained in good repair and free from insects and rodents, or the structure shall be removed from the premises. The exterior of the structures shall be made weather resistant through the use of decay-resistant materials or the use of paint or other preservatives.

(r) Every plumbing fixtures and all water and waste pipes shall be properly installed and maintained in good working condition.

(s) No owner, operator, or occupant shall cause any service, facility, equipment, or utility, which is required under this chapter, to be removed from, or shut off from, or discontinued from any occupied dwelling or dwelling unit let or occupied by him or her, except for such temporary interruption as may be necessary while actual repairs or alterations are in process, or during temporary emergencies when discontinuance of service is approved by the appropriate authority.

(t) All construction of materials, ways and means of egress, and all installation and use of equipment shall conform to applicable State and local laws dealing with fire protection. 45-24.3-11. Minimum space, use, and location requirements - No person shall occupy, or let to be occupied, a dwelling or dwelling unit, for the purpose of living therein, unless there compliance with the requirements of this section.

(A) Every dwelling units shall contain at least one hundred fifty (150) square feet of floor space for the first occupant thereof, and at least one hundred thirty (130) square feet of floor space for every additional occupant thereof, the floor space to be calculated on the basis of total habitable room space.

(B) (1) In every dwelling unit for two (2) or more rooms, every room occupied for sleeping purposes shall contain at least seventy (70) square feet of floor space for the first occupant, and at least fifty (50) square feet of floor space for each additional occupant thereof. A bathroom or water closet compartment shall not be used

as the only passageway to any habitable room, hall, basement, or cellar or to the exterior of a dwelling unit.

(2) At least seventy-five percent (75%) of the floor area of every habitable room shall have a ceiling height of no less than seven feet (7') and the floor area of that part of any room, where the ceiling height is less than five feet (5'), shall not be considered as part of the floor area of the room for the purpose of determining the maximum permissible occupancy thereof. At least fifty percent (50%) of the floor area in attic rooms shall have a ceiling height of seven feet (7').

(3) No space, located total or particularly below grade, shall be used as a habitable room or dwelling unit unless:

(a) The floor, and those portions of the walls below grade, are of waterproof and damp proof construction;

(b) The minimum window area, required in Section 45-24.3-8, is located entirely above grade of the ground adjoining the window area or, if window are located wholly or partially below grade, there is constructed properly drained window well whose ground open area shall be equal to, or greater than, the area of the window opening; the bottom of the window well shall be below the top of the impervious masonry construction under this window; and the minimum horizontal projections of the bottom of the window well shall be equal to, or greater than, the vertical dimensions (depth) of the window well as measured from the bottom of the masonry opening for the window, and no part of the window well opposite this window shall protrude above the line projected at a fifty-five degree angle from the bottom of the window opening at right angles to the outer wall;

(c) The total openable window area in each room is equal to at least the minimum, as required under this chapter, except where there is supplied some other device affording adequate ventilation and humidity control and approved by the appropriate authority; and

(d) There are no pipes, ducts, or other obstructions, less than six feet (6') above the floor level which interfere with the normal use of the room or area.

(C) Every dwelling units shall have at least four (4) square feet of floor to ceiling height closet space, for the personal effects of each permissible occupant. If it is lacking in whole or in part, an amount of space, equal in square footage to the deficiency, shall be subtracted from the area of habitable room space used in determining permissible occupancy.

(D) A dwelling units shall not be occupied by more than one



family plus two (2) occupants unrelated to the family, except for guest or domestic employees or by not more than one household if the occupants are unrelated, unless a permit for a rooming house has been granted by the appropriate authority.

(E) Each dwelling shall have a suitable facility for the safe storage of medicines, toxic materials, and household poisons, such as ammonia, paint, gasoline, etc., to ensure safety for children in the residential environment.

All rehabilitation activities conducted with R.I. Housing Preservation Grant Program funds will be in compliance with State Building Code requirements. All reasonable health and safety violations determined through the initial inspection and work write-up will be addressed.

The State will also incorporate the following statement in all recipient files concerning thermal performance standards.

"This home has been inspected and when all repairs/rehabilitation activities are complete, it will meet FmHA's thermal standards for existing structures outlined in Exhibit D of Subpart A of Part 1924 of this chapter."

To assure that HPG funds are not depleted on weatherization/thermal improvements rather than health and safety rehabilitation activities, the RI HPG program will be coordinated with the local Weatherization and CDBG Housing Rehabilitation programs. Prior to committing HPG funds for a particular project, a certification will be signed by the appropriate agency (as defined by source of funds) assuring that an energy audit will be conducted on the structure within a 6 month period and, if appropriate, the structure will be rehabilitated and brought up to FmHA thermal standards using an identified source of funds.

Properties included on or eligible for inclusion on the National Register of Historic Places are subject to the standards and conditions of Section 1944.673 of this subpart.

All jurisdictions have been notified of this program and its proposed regulations. This office has not received any statements indicating non-concurrence with our recommendations. The issue of imposing strict standards on housing rehabilitation projects assisted with federal funds was raised at the FY'96 and FY'97 Small Cities CDBG Management Workshops. The general consensus received at this workshop and through the mail subsequent to this meeting was that there is insufficient funds available to impose strict standards. Limiting these standards to a minimum and specifically addressing health and safety issues, allows program monies to be spread out for the benefit of more persons. The jurisdictions' concurrence with this standard will be evidenced by their participation in the program as "Point of Contacts".

## Statement of Activities

### The time schedule for completing the program.

The State proposes to complete this program within one year from the award date.

#### Projected Timeframe:

(It is estimated that awards will be made by 9/1/2000)

9/1/2000	Eligible community contacts (homeowner application point of contact) notified of availability of funds and operating procedures and sent appropriate application forms.
9/1/2000-3/1/2001	Applications for activities from <u>priority communities</u> accepted, processed and <u>rehabilitation</u> activities conducted in accordance with program procedures.
3/1/2001-9/1/2001	<u>Priority and Non-priority community applications</u> accepted, processed and all remaining funds obligated to rehabilitation activities.

Projects will be funded on a first-come first-serve basis. All projects will be completed and monitored by a third party. It is feasible, considering the demand, that all funds will be expended within the first six month period. If this is the case, the State's grant may be completely exhausted sooner than projected.

The State is able to implement a program such as this in such a timely fashion due to the fact that similar programs are underway funded through other sources, such as the Small Cities CDBG - Rental Rehabilitation program funds, which are being used to leverage/supplement this program.

## Statement of Activities

The staffing required to complete the program.

As mentioned previously in this application, the local government administrative expenses relative to this program are already supported by the State's funding of housing rehabilitation programs through the CDBG program. This includes staff at regional housing consortia.

To administer this program effectively, the State will retain administrative funds to cover the following staff:

One staff person to process applications, form grant agreements, process payments, assemble and submit reports to RD and related duties as required. Clerical assistance will also be necessary to operate this program effectively.

The CDBG staff field staff will oversee and monitor all local government involvement in this program. The municipality's housing rehabilitation program are currently monitored by the State staff and the review of this program is a natural extension of those duties.

To cover these costs, the State intends to retain up to 20% or no more than \$8,000 of its award for administrative purposes.

## Statement of Activities

The estimated number of very low- and low-income minority and non-minority persons the grantee will assist with HPG funds; and, if a rental property or co-op assistance program, the number of units and the term of restrictive covenants on their use for very low- and low-income.

If the State receives \$40,000, it is estimated that 3-4 grants, outright, will be provided to rural homeowners for the purpose of housing rehabilitation. Since the average household size in this State is approximately 3, this program will provide benefit to an estimated 9-12 individuals. At least 50% or 5-6 persons should be very-low income. It should be noted that this number is an estimate and the program may provide a greater benefit if the State program preferences are effective in soliciting applications which eliminate conditions of overcrowding.

Although CDBG funds used for housing rehabilitation purposes and the beneficiaries of such are not directly integral to this program, they are associated. If insufficient HPG funds are available, projects which attempt to access this program may be funded with CDBG monies. Likewise, if CDBG monies were unavailable, projects may have attempted to access RI HPG monies. It is estimated that an additional 60 units will be completed using FY'2000 Small Cities Community Development Block Grant monies. This will result in approximately 180 very low- and low-income beneficiaries. Therefore the total units completed using Housing Rehabilitation funds provided by MA/CD through the RI HPG and CDBG program will be 63-64 for a benefit of a total of an estimated 189-192 very low- and low-income persons.

The amount of CDBG funds used to leverage this program is unknown at this point.

The total number of minority persons and the minority percentage of the population by municipality is listed below:

	Population	Minority	Minority%
Burrillville			
Charlestown	6,478	219	3.38
Coventry	31,083	496	1.60
Cranston	76,050	4,737	6.23
Cumberland			
Exeter	5,461	128	2.34
Foster	4,316	59	1.37
Glocester	9,227	108	1.17
Hopkinton	6,873	133	1.94
Jamestown	4,999	96	1.92
Johnston	26,542	498	1.88
Lincoln	18,045	446	2.47
Little Compton	3,339	38	1.14
Narragansett	14,985	543	3.62

New Shoreham	836	21	2.51
North Kingstown	23,786	900	3.78
North Smithfield			
Portsmouth	16,857	564	3.35
Richmond	5,351	147	2.75
Scituate	9,796	117	1.19
Smithfield	19,163	374	1.95
South Kingstown	24,631	1,803	7.32
Tiverton	14,312	259	1.81
West Greenwich	3,492	54	1.55
Westerly	21,605	605	2.80
TOTAL	347,227	12,345	3.06%

The total minority homeowners by community are as follows:

	Population	Minority Homeowners
Burrillville		
Charlestown	6,478	18
Coventry	31,083	97
Cranston	76,050	557
Cumberland		
Exeter	5,461	26
Foster	4,316	14
Glocester	9,227	21
Hopkinton	6,873	25
Jamestown	4,999	25
Johnston	26,542	84
Lincoln	18,045	80
Little Compton	3,339	4
Narragansett	14,985	52
New Shoreham	836	0
North Kingstown	23,786	119
North Smithfield		
Portsmouth	16,857	108
Richmond	5,351	36
Scituate	9,796	35
Smithfield	19,163	45
South Kingstown	24,631	187
Tiverton	14,312	85
West Greenwich	3,492	10
Westerly	21,605	100

Geographically, the State's minority population is concentrated in urban areas, which are not covered under this rural development program. The State has developed an Analysis of Impediments to Fair Housing (AI - immediately following this section), which cites the concentration of affordable housing, services including transportation and employment in inner cities as one such impediment. The purpose of the plan is an attempt to recognize the problems of fair housing and encourage the geographic and multi-ethnic availability of affordable housing and other opportunities throughout the region.

The State promotes neighborhood revitalization strategies which focus federal, State and local investments in designated distressed areas, addressing comprehensively the needs of its very low- and low-income residents. These designated distressed areas typically have high concentrations of minorities and hence the minority participation in programs operated in these areas should also be higher. It is our objective that the minority participation in this program is at least equal to the minority percentage, 2.54%, of the population of the total area to be served. Since it is estimated that approximately 12 persons will benefit from this program, it is estimated that at least 1 person(s) will be minority in nature.

This office encourages the participation of minority and women owned business in contracts awarded under the CDBG and housing rehabilitation programs. Although the success of soliciting these organization's participation has been limited, it is feasible that the program will result in benefit to minority businesses as well.

## Statement of Activities

The geographical area(s) to be served by the HPG program.

This program will be undertaken exclusively in eligible areas as identified by RD and predominantly, if not exclusively, in rural communities having population below 10,000.

Following is a listing of areas eligible to receive Rhode Island Housing Preservation Grant (R.I. HPG) funds. All projects funded through the R.I. HPG will be located in the below noted areas.

The first six months of the program, estimated through March 1, 2001, will be open to the priority communities noted by an asterisks below. There is townwide eligibility in these communities and they have been identified as rural communities having populations below 10,000 as preferenced by RD. If, after six months, all funds have not been obligated to projects, the remaining monies will be made available to all areas listed as eligible under current regulations.

### Eligible Townwide:

	<u>Total Pop.</u>	<u>Urban Pop.</u>	<u>Rural Pop.</u>
Burrillville			
*Charlestown	6,478	0	6,478
*Exeter	5,461	0	5,461
*Foster	4,316	0	4,316
*Glocester	9,227	717	8,510
*Hopkinton	6,873	0	6,873
*Jamestown	4,999	3,746	1,253
*Little Compton	3,339	0	3,339
Narragansett	14,985	3,658	11,327
*New Shoreham	821	0	821
North Smithfield			
Portsmouth	16,817	13,142	3,675
*Richmond	5,351	0	5,351
*Scituate	9,796	1,461	8,335
South Kingstown	24,631	13,638	10,993
Tiverton	14,312	8,557	5,755
*West Greenwich	3,492	903	2,589

Population figures are taken from the 1990 Census.

\*Communities with populations less than 10,000, prioritized for this program.



Portion of Town Eligible (rural population):

Coventry, West of read Schoolhouse Road (6,363)  
Cranston, West of Rte. 295 (0)  
Cumberland, North of Rte. 295 ( , )  
Johnston, West of Rte. 295 (3,499)  
Lincoln, West of Rte. 295 (3,455)  
North Kingstown, South of Stoney Lane (6,963)  
Smithfield, West of Rte. 295 (3,254)  
Westerly, Outside of Rte. 78 by-pass (4,993)

The numbers shown in parenthesis are the townwide rural populations, as indicated in the 1990 Census. This number is approximated as the population of the rural, eligible RIHPG, portion of these communities.

The State MA/CD promotes comprehensive neighborhood revitalization strategies in designated distressed areas, such as Bradford in Westerly. We not only promote these strategies but have the resources to fund complementary activities, including supportive services, facility improvements, economic development etc. Projects located in such comprehensive strategy areas will be given preference for funding.

## Statement of Activities

The annual estimated budget for the program period based on the financial needs to accomplish the objectives outlined in the proposal. The budget should include proposed direct and indirect administrative costs, such as personnel, fringe benefits, travel, equipment, supplies, contracts, and other cost categories, dealing those costs for which the grantee proposes to use the HPG grant separately from non-HPG resources, if any. The applicant budget should also include a schedule (with amounts) of how the applicant proposes to draw HPG grant funds, ie., monthly quarterly, lump sum for program activities, etc.

The program, as proposed, is financially feasible. It is affordable and will result in affordable housing for very low- and low-income persons. The objectives as outlined in this proposal may be accomplished by USDA RD providing \$40,000 to the State of Rhode Island to implement the RI HPG program. The administrative burden of this program would exceed the benefits.

The State proposes to award grants on a first-come, first-serve basis until funds are completely obligated and disbursed. A more comprehensive treatment of the distribution method is on page 4. No more than \$10,000 may be awarded to an individual projects, with the exception of certain historical preservation situations outlined on page 77. The State projects that 3-4 awards, benefitting 9-12 very-low and low-income person, will be made directly with HPG funds. As an additional note, 60 units are estimated to be completed using FY'2000 Small Cities CDBG monies. This would result in 189-192 total beneficiaries (projected).

Funds will be drawdown on a lump sum basis for program activities. A request for payment will be submitted to the State at the completion/anticipated completion of a project. Funds will then be drawdown for the specific project and paid to the City/Town/Point of Contact or homeowner and contractor through a two-party check.

### Administration:

20% (\$8,000 of \$40,000 received) may be retained for administration purposes.

Administrative monies will be drawdown, not more frequently than monthly, on an as needed basis.

Administrative monies will support professional, technical and clerical staff (salary and fringe) who will be actively assisting in the delivery of the RI HPG program.

Administrative monies may also support the payment of necessary and reasonable office expenditures such as supplies, travel and miscellaneous expenses. Only those costs directly attributable to the RI HPG program will be compensated.

This funding is not a substitute for any financial support previously provided or currently available from any other sources. This program is new and will require staff to assume new duties and responsibilities necessary to operate the program effectively.

Non-HPAG Resources:

- CDBG        These funds are drawdown on a grant by grant/project by project basis. Funds are disbursed to the City/Town which the project is located and then paid to the subrecipient/contractor appropriately. Although this program is leveraging the HPG Housing Rehabilitation program, they will generally not be commingled for specific projects.
- ESGP        These funds are disbursed on a grant/grant basis. Generally, agencies request funds on an as needed basis once expenses have been realized or on a quarterly/monthly periodic basis.

## Statement of Activities

A copy of an indirect cost proposal as required in 7 CFR Part 3015 and 3016, when the applicant has another source of federal funding in addition to the FmHA HPG program.

### *Housing and Urban Development*

#### *Small Cities Community Development Block Grant Program*

The primary purpose of this program is the development of viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities; principally for persons of low and moderate income (low- and moderate-income correspond directly with very-low and low-income limits as referenced by USDA RD). To be consistent with this primary objective, each activity funded under this program must address one of the following national objectives:

1. Benefit very-low and low-income persons; or
  2. Aid in the prevention/elimination of slums and blight.
- (local programs may also include activities designed to meet community development needs having a particular urgency.)

All Rhode Island municipalities; except the larger entitlement cities of Cranston, East Providence, Pawtucket, Providence, Warwick and Woonsocket who receive their allocations directly from the U.S. Department of HUD; are eligible for funding.

CDBG is one of the most flexible federal programs. Activities listed under Section 105a of the Housing and Community Development Act of 1974 are eligible to receive funding. These activities include Acquisition, Public Facilities, Code Enforcement, Architectural Barrier Removal, Services, Planning, Rehabilitation, Energy Improvements, Housing Services, Economic Development, Homeownership Assistance, etc. Each proposed activity must meet a national objectives are heretofore stated.

Funds are distributed to communities for eligible activities on an annual competitive basis. A quantifiable and qualitative review of the applications/activities leads to award decisions which are announced by the Governor.

In FY'2000, \$5,637,000 will be available to the R.I. Small Cities CDBG program. A copy of the FY'2000 Small Cities CDBG Application Handbook, which includes a more detailed account of program regulations and procedures, can be obtained by contacting Michael Tondra at 222-4411.

*Housing and Urban Development  
McKinney Emergency Shelter Grants Program*

The purpose of this program is to help improve the quality of existing emergency shelters for the homeless, to help make available additional emergency shelters, to help meet the costs of operating emergency shelters and of providing certain essential social services to homeless individuals and to help restrict the increase of homelessness through the funding of preventive programs and activities.

Emergency shelters is defined as any facility, the primary purpose of which is to provide temporary or transitional shelter for the homeless in general or for specific populations of the homeless.

Grants may be used for one or more of the following activities related to emergency shelters for the homeless.

1. Renovation, major rehabilitation or conversion of buildings for use as emergency shelters.
2. Provision of essential services including but not limited to those concerned with employment, health, substance abuse, education, food or assistance in obtaining housing.
3. Payment of maintenance and operations (including rent, repair, security fuels, equipment, insurance, utilities and furnishings). Staff costs may also be provided.
4. Homeless prevention assistance may be provided.

Every city and town in Rhode Island is eligible to apply for a grant as well as private non-profit organization and Indian Tribes who are eligible to apply directly to the Municipal Affairs, Community Development provided the unit of local government in which the project is located certifies approval of the project.

Funds are made available through an annual competitive process. After review by an application evaluation committee consisting of representatives with expertise in homelessness issues, award announcements are announced.

In FY'2000, the State MA/CD has received \$307,000 under this program. More information on remaining funds and specific distribution of these monies outlined above can be obtained by contacting Michael Tondra at (401) 222-4411.

## Statement of Activities

### A brief description of the accounting system to be used.

The State is responsible for insuring that all funds are expended and accounted for in a manner consistent with program objectives and in accordance with applicable federal and state laws and regulations.

MA/CD has elected to adopt standards set forth in:

24 CFR Part 85, Administrative Requirements for Grants and Cooperative Agreement to State, Local and Federally Recognized Indian Tribal Governments.

OMB Circular A-87: Cost principles for State and local governments.

The State has a financial management system that provides accurate, current and complete disclosure of the financial status of each supported activities. The financial system is capable of generating regular financial status reports which indicate the dollar amount allocated for each activity, the amount obligated, and the amount expended for each activities. The State's financial management system:

- A. Maintains records that identify clearly and adequately the source application of funds for all assistance activities. Each dollar will be able to be isolated and traced to a documented expenditure.
- B. Maintains effective control over and accountability for all funds, property, and other assets, safeguarding these assets and insuring that they are used solely for authorized purposes.
- C. Provides a comparison of actual expenditures and revenues to budgeted amounts.
- D. Provides procedures to minimize the time elapsing between the U.S. Treasury and the disbursement by the grantee.
- E. Provides procedures for determining responsibility, allowability and allocability of costs in accordance with the provisions of OMB Circular A-87\* and the approved application.

\*Also referred to as Federal Management Circular 74-4.

The State reports all financial transactions on an accrual basis.

Once rehabilitation has been completed, funds will be drawdown from the State. The request will be submitted by the point of contact on behalf of the homeowner and will accompany required reporting forms. The State will process payments only after receipt of such request for payment and required forms. Checks will be issued either to the City/Town/Point of contact, if the funds were paid out on a reimbursement basis, or by a joint check which would be issued to the homeowner and the contractor to assure funds are furnished to the contractor.

The MA/CD will approve these requests for payment and send them to the Central Business Office for processing. All financial management aspects of the MA/CD are currently handled by the Central Business Office. The Central Business Office will process all paperwork to process the payment through Accounts and Control/Treasury.

All costs will be reviewed for allowability of costs, and accounting records will be maintained so as to permit easy access to financial information.

This office is also subject to provisions of OMB circular A-133, Audits of States, Local Governments and Non-Profit Organizations.

MA/CD also uses as a guide, OMB Circular A-102, Uniform Requirements for Assistance to State and Local Governments which promulgates standards for establishing consistency and uniformity among Federal agencies in the administration of grants to State, local, and federally recognized Indian Tribal governments.

It should be noted that MA/CD imposes these same regulations on all small cities that it grants funds to under the Small Cities Community Development Block Grant Program.

## Statement of Activities

The method of evaluation to be used by the applicant to determine the effectiveness of its program which encompasses the requirements for quarterly report to FmHA in accordance with S1944.683 (b) of this subpart and the monitoring plan for rental properties and co-ops (when applicable) according to S1944.689 of this subpart.

### *Progress Reports*

Information on each project will be obtained during the application process. At the completion of rehabilitation, completion of reporting forms will be required and a monitoring will be conducted to assure compliance with all applicable regulations and standards.

A quarterly performance report, including an SF-269, will be completed and submitted within 15 days of the end of each calendar quarter. The report will relate the activities during the report period to the project's objectives and analyze the effectiveness of the programs. The results of this report will be compared to the objectives as stated in the Statement of Activities.

### *Statement of Activities Comparison:*

The State MA/CD anticipates completing approximately 4 grants directly with funds provided by HPG. Since the maximum grant amount is \$10,000, this figure may vary. The actual results of the program will be compared to those anticipated by the Statement of Activities.

As an additional note, it is estimated that at least 60 units will be rehabilitated using FY'2000 Small Cities CDBG monies. This objective will be compared to the actual results annually.

The Statement of Activities approximates 9-12 very low- and low-income persons will benefit from this program and the very-low income participation of this program at 50%/5-6 persons. This percentage will be compared to results and end of each quarter and any deviations explained.

### *Equal Opportunity Effectiveness:*

To determine compliance with fair housing requirements, the minority participation in this program at completion will be compared to the minority percentages of the total area(s) served by the HPG program. The percentage minority participation should be equal to or greater than the percentage of the population which are minorities. If this is not the case, an analysis will be conducted to determine the reason(s).



Other:

The State is required to cumulate a Performance Evaluation Report relative to the State's Small Cities CDBG program. This report generally outlines the distribution of funds. The results of this report will be summarized as part of the final quarterly report submitted to USDA RD.

At the end of the one year process, community development representatives from communities with eligible areas relative to the RI HPG will be approached to examine its accomplishments and procedures. The responses will be cumulated in an attempt to analyze the effectiveness of the programs and incorporate any changes appropriate.

## Statement of Activities

The source and estimated amount of other financial resources to be obtained and used by the applicant for both HPG activities and housing development and/or supporting activities.

The Rhode Island Small Cities CDBG program, operated through the MA/CD, has consistently awarded a substantial amount of funds for housing rehabilitation purposes in the 33 cities and towns that do not receive monies directly from the U.S. Department of HUD.

In FY'99 the State provided the following funds specifically for housing rehabilitation grant/loan programs in rural areas eligible under the HPG program.

### Total Community Eligible:

Burrillville	\$20,000
Charlestown	15,000
Exeter	10,000
Foster	15,000
Glocester	100,000
Hopkinton	45,000
Jamestown*	0
Little Compton*	0
Narragansett	0
North Smithfield	10,000
Portsmouth*	0
Richmond	0
Scituate	50,000
South Kingstown	30,000
Tiverton*	0
West Greenwich	15,000
TOTAL	\$310,000

\*These communities have capitalized a CDBG program income revolving loan fund for housing rehabilitation and have requested no additional grant/loan monies to operate the program.

### Portion of Municipality Eligible:

Coventry	\$140,000
Cumberland	20,000
Johnston	75,000
Lincoln	0
North Kingstown	60,000
Smithfield	25,000
Westerly	0
TOTAL	\$320,000

In FY'96 CDBG funds have been awarded to implement Weatherization programs in rural areas as follows:

Total Community Eligible:

Burrillville	\$10,000
Charlestown	4,900
Exeter	4,900
Foster	5,000
Glocester	5,000
Hopkinton	5,000
Little Compton	1,000
Narragansett	5,000
North Smithfield	0
Portsmouth	5,000
Richmond	5,000
Scituate	10,000
South Kingstown	7,000
Tiverton	5,000
West Greenwich	4,900
TOTAL	\$77,700

Portion of Municipality Eligible:

Coventry	\$5,000
Cumberland	20,000
Johnston	10,000
Lincoln	10,000
North Kingstown	7,000
Smithfield	10,000
Westerly	7,000
TOTAL	\$69,000

The State has estimated \$500,000 in FY'2000 CDBG monies will be provided for housing rehabilitation purposes in rural communities. This amount is very conservative and in no way is meant to limit the monies which will be used for housing rehabilitation.

The State has also capitalized housing rehabilitation revolving loan funds, CDBG program income, in various communities. These funds will also be used to supplement the RI HPG program.

The State funded the operation of housing rehabilitation programs funded through CDBG/HOME/Program Income as follows. The support of these operations, including inspections and application management, alleviates the administrative burden placed on the RD HPG program.

Total Community Eligible:

Burrillville	\$5,000
Charlestown	5,000
Exeter	0
Foster	5,000
Glocester	25,000
Hopkinton	10,000
Jamestown	12,000

Little Compton	8,000
Narragansett	0
North Smithfield	5,000
Portsmouth	25,000
Richmond	0
Scituate	20,000
South Kingstown	10,000
Tiverton	20,000
West Greenwich	0
TOTAL:	\$150,000

Portion of Municipality Eligible:

Coventry	\$20,000
Cumberland	5,000
Johnston	20,000
Lincoln	30,000
North Kingstown	15,000
Smithfield	5,000
Westerly	0
TOTAL	\$95,000

Total Community Eligible TOTAL: \$460,000

Partial Community Eligible TOTAL: \$415,000

TOTAL: \$875,000

(exceeded 99 est.)

CDBG funds are awarded community-wide. The State is currently unable to easily identify which CDBG assistance monies have been expended in the eligible areas of municipalities which are not completely eligible. Since CDBG funds must be expended for the benefit of very-low and low income persons, it is a safe assumption that a large percentage of these funds are expended within the eligible distressed rural areas.

Grantees may retain program income if the income will be used to continue the activity from which the program was derived. Local cities and towns also expended Program Income for housing rehabilitation purposes in an amount approximated at \$100,000.

As you can see, the CDBG supplement/leverage of the HPG program would be approximately \$500,000 - \$1,000,000. The HPG cost to the total cost of the unit preservation/housing rehabilitation program will be well under 10%.

**The State MA/CD promotes comprehensive neighborhood revitalization strategies in distressed areas. We not only promote these strategies but have the resources to fund complementary activities, including supportive services, facility improvements, economic development etc.**

**The concept of holistic communities development is important in attempting to lead very-low and low income persons to self-sufficiency. There is an multitude of needs of this population, which include housing, supportive services including education and job creation/economic development. A continuum of care**

approach must be developed addressing all these needs if success is to be realized.

The CDBG program is one of the most flexible federal programs. It can be used for a variety of purposes including housing, economic development, services, community facilities, planning, etc. In FY'99 CDBG have been used for a variety of purposes ranging from housing development to community facilities to social services in the rural communities eligible under the HPG program as follows:

Total Community Eligible:

Burrillville	\$130,000
Charlestown	27,000
Exeter	17,000
Foster	24,000
Glocester	168,000
Hopkinton	61,000
Jamestown	42,000
Little Compton	18,000
Narragansett	130,000
North Smithfield	20,000
Portsmouth	115,000
Richmond	44,000
Scituate	74,000
South Kingstown	115,000
Tiverton	218,500
West Greenwich	20,000
TOTAL	\$1,223,500

Portion of Municipality Eligible:

Coventry	\$162,000
Cranston	1,282,000*
Cumberland	247,000
Johnston	260,000
Lincoln	135,000
North Kingstown	97,000
Smithfield	76,000
Westerly	386,000
TOTAL	\$2,635,000

\*The City of Cranston receives it's CDBG allocation directly from the U.S. Department of HUD. The amount shown reflects the total FY'00 CDBG appropriation to the City of Cranston. These funds are used for housing rehabilitation as well as a variety of purposes principally benefitting very low- and low- income persons.

The purpose of the McKinney Emergency Shelter Grants program is to provide assistance to shelters and service providers for the benefit of homeless persons or persons in danger of becoming homeless. FY'99 ESGP funds have been allocated to the following agencies which serve eligible rural areas under the HPG.

Galilee Mission	\$7,000
Travelers Aid Transitional Housing	9,100
Urban League	33,150
Westerly Area Rest and Meals	15,000
Welcome House	13,000
Women's Resource Center of So. Cty.	4,000
TOTAL	\$81,250

These funds have been provided for services, emergency financial assistance and emergency shelter/transitional housing activities. Since most homelessness gravitates toward inner cities, the majority of the State's ESG funds are distributed in urban areas. Due to Rhode Island's geographic size, many of the providers located in these urban areas are able to provide their services statewide, including the rural communities eligible under the HPG.

The MA/CD also administers the Distressed Community Relief Fund which provides assistance to communities statewide for infrastructure improvements.

The MA/CD also has strong linkages to Rhode Island Housing in the administration of their HOME program, which provides funds for housing development and rehabilitation and close cooperation with the State Energy Office which operates the Department of Energy Weatherization Program for the State.

These above noted CDBG/ESG/HOME/Weatherization indirect supplemental funds are essential to creating a comprehensive treatment for the needs of the very-low and low-income populations of the State of Rhode Island.

It should be noted that this application will exclusively fund grants to very low- and low- income homeowners for the purpose of housing rehabilitation.

It should be noted that this office can carry out all other programs or activities to which they are committed without jeopardizing the success and effectiveness of the HPG project. In fact, the collaboration and coordination of these resources will increase the effectiveness of both resources.



## Statement of Activities

The use of program income, if any, and the tracking system used for monitoring same.

All activities funded under the HPG program will be grants. There will therefore be no program income to account for relative to RD HPG funds.

Program income will be available through loans provided with CDBG monies, which is being used to supplement the HPG program. The general operating instructions for the use and accounting of these funds is outlined immediately following this page. The State has capitalized housing rehabilitation revolving loan funds in various communities.

All income during the grant period, including amounts recovered by the State due to breach of agreements between the State and the HPG recipient, will be used under and in accordance with the requirements and procedures of the HPG program. The program will reuse income from after the grant period for continuing repair and rehabilitation activities.

## Statement of Activities

The applicant's plan for disposition of any security instruments held by them as a result of its HPG activities in the event of its loss of legal status.

It is infeasible that the State of Rhode Island will lose its legal status at any point in the implementation of this program. Therefore the State will not be required to dispose of any security instruments held by them as a result of the implementation of HPG activities in the event of its loss of legal status.

If the Municipal Affairs, Community Development office is, at any point in the implementation of this program, abolished or the functions contained therein are transferred to another department/agency, USDA RD is assured that all duties and responsibilities related to this program and properties acquired will be assigned appropriately.

24 CFR Part 85.36 provides minimum standards for the utilization and disposition of property acquired in whole or in part with federal funds. These standards apply to all personal property acquired with CDBG funds for administrative purposes only. The State MA/CD intends to comply with these regulations regarding any property acquired as a result of the implementation of this HPG program.

The State intends to use administrative monies retained primarily for salary purposes and therefore anticipates acquiring little to no property with HPG monies.

If property is purchased with HPG monies, and the State no longer needs the property for any eligible HPG activities, the following regulations will apply:

- 1) The State shall request disposition instructions from FmHA/RD for all non-expendable property with a cost of \$1,000 or more, for all real property regardless of acquisition costs, and for all expendable personal property with an aggregate fair market value of \$1,000 or more.
- 2) Non-expendable property with a unit acquisition cost of less than \$1,000 and expendable personal property with an aggregate fair market value of less than \$1,000 shall be retained by the State and used or disposed of at its discretion.

The State's property management standards for non-expendable personal property purchased with HPG monies shall provide that:

- 1) Property records are maintained accurately and include a description of the property, a manufacturer's serial number or other identification number, the grant number with which it was acquired, the acquisition date and cost, the location, use and condition of the property and the date the information was reported, the units acquisition costs and the ultimate disposition date.
- 2) A physical inventory shall be taken and the results reconciled with the property records at least once every two years. Any difference shall be investigated to determine the cause.

A control system shall be in effect to insure adequate safeguards to prevent loss, damage or theft of property. Any loss, damage or theft shall be investigated and fully documented.

Adequate maintenance procedures shall also be implemented to keep the property in good condition.

## Statement of Activities

The outreach efforts outlined in S1944.671 (b) of this subpart.

The State of Rhode Island prohibits discrimination in the provision of assistance/housing with regard to race, color, religion, sex, sexual orientation, national origin, age, familial status, or handicap.

As part of CDBG requirements, all communities are required to certify that they administer all programs and activities related to housing and community development in a manner to affirmatively further fair housing. In order to comply with the Grantee certification to "affirmatively further fair housing" grantees submit to MA/CD along with their first CDBG quarterly report, a description of activities proposed to be undertaken to affirmatively further fair housing and a schedule of the anticipated completion of these activities. These activities are compiled annually, maintained in a separate file and include such activities as information distribution and essay/poster contests.

Additionally, it should be noted the State MA/CD, in conjunction with the Rhode Island Housing and Mortgage Finance Corporation, has completed an Analysis of Impediments to Fair Housing (AI) statewide. This analysis contains a list of current and past actions and future actions proposed to alleviate such impediments. The plan will be updated annually and has been provided to local municipalities in an attempt to strengthen their fair housing actions. (Plan on immediately following page 23)

The State will maintain, in a separate file, a list of community contacts to community organizations, community leaders, including minority leaders, by name, race and date contacted; copies of all advertising in local newspapers, and through other media. This office encourages the use of minority-owned media sources and will report on use of such and patronage by race/national origin; copies of other advertising and other printed materials. All application forms will include the nondiscrimination slogan "This is an equal opportunity programs. Discrimination is prohibited by Federal Law".

Relative to application and reporting: In accordance with FmHA Instruction 1944-N, Exhibit H, applicant are requested to report the race or ethnic group and sex designation of the persons living in the dwelling or units to be assisted by HPG funds for all or part of the next 12 months. The race or ethnic group will be categorized as White (non-Hispanic), Black (non-Hispanic, American Indian/Alaskan Native, Hispanic, or Asian/Pacific Islander. A statement that the recipient is providing this information on a voluntary basis to enable the monitoring and compliance with Federal laws prohibited discrimination will be placed on the application form. When the recipient does not

provide this information, the person in the municipality assisting in the submittal of the application will fill in this information based on personal observations and indicate on the recipient's application that it was filled in by the municipality.

The following is an example of the statement which will be included in the application:

The information solicited on this application is requested by the State in order to assure the Federal Government, acting through Rural Development, that Federal and State laws prohibiting discrimination against applicant on the basis of race, color, national origin, religion, sex, familial status, age, handicap and sexual orientation are being complied with. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, the individual assisting you in the preparation of your application is required to note the race/national origin and sex of the individual applicants on the basis of visual observation or surname.

The State will comply with Fair Housing requirements and the nondiscrimination requirements of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1983 and the Age Discrimination Act of 1975.

## Applicant's Experience and Capacity to Carry out the objectives of the proposed HPG program.

The State MA/CD office has the necessary background and experience, with proven ability to perform responsibly in the field of very low- and low-income rural housing development, repair and rehabilitation and has other business management and administrative experience which clearly indicates an ability to operate a program providing repair/rehabilitation financial assistance.

The State, Municipal Affairs, Community Development office and it's antecedent agencies have numerous years of successful experience managing and operating rehabilitation and weatherization type programs, assisting very low- and low-income persons obtain housing assistance.

Since its inception in 1982, the State MA/CD has operated the HUD Small Cities CDBG program, which provides assistance to local cities and towns that do not receive their funds directly from HUD, for various activities for the benefit of very-low and low-income persons. A large percentage of the State's annual allocation, \$5,637,000 in FY'2000, is used for housing rehabilitation grant/loan programs throughout the State, including the rural areas eligible under the HPG (with the exception of Cranston which is an entitlement CDBG community).

The State has promoted these housing rehabilitation programs due to the evident need for increased housing opportunities throughout the State. The State has also facilitated the creation of housing consortia, which are regional housing agencies which provide housing rehabilitation and other services to a number of communities in an area who are unable to successfully operate such a program on their own. Having such a housing consortia enables economies of scale in the administration of the programs. It should also be noted, that although project monitorings will be done by a third party the municipality, a CDBG staffperson is a certified housing inspector and can be used for oversight of the third party's efforts.

The State directly operated the HUD Rental Rehabilitation Program until 1991 when it was discontinued at the federal level. MA/CD provided forgivable loans/grants to very-low and low-income homeowners both directly and through municipalities and area housing offices for the purpose of making repairs to rental properties occupied by very low- and low-income persons.

The State has for a number of years operated the McKinney Emergency Shelter Grants Program, which provides assistance to local cities and towns and non-profit agencies for assistance to the homeless. This program has funded housing prevention activities such as rental, utility and prescription assistance.

The MA/CD experience in administering housing rehabilitation programs is extensive. Not only would our expertise in the field aid in the successful implementation of such a program but the additional resources administered by MA/CD can be tied to this program maximizing the benefit of the limited financial resources available.

The Municipal Affairs, Community Development office has an established relationship in the administration of several other programs which provide housing rehabilitation for very-low and low-income persons. One of these programs is the Department of Energy, Weatherization program. This program is operated under the Department of Administration, of which this office is part. Additionally, the Supervisor of Community Development also serves on the HUD HOME program steering committee, which provides funds for the development of housing throughout the State, including housing rehabilitation.

MA/CD also served as primary staff to the Rhode Island Interagency Council on Homelessness and Affordable Housing (now the Housing Resource Commission, Office of Homelessness and Emergency Services). This Council in a collaboration of various State, federal and non-profit agencies all with interest in housing and homelessness issues. Being such an active participant in this council enables this office to stay abreast of new developments in housing issues and to network to create strong linkages between the public/private non-profit sectors.

Bill Sheridan, Supervisor of Local Planning Assistance associated with the Municipal Affairs, Community Development office was/is an active participant in the development of the State's Rural Development Council. This office is a true stakeholder in rural housing development issues. Funding this program could be viewed as a true partnership on the federal level to create housing opportunities for very low- and low-income persons.

MA/CD is also the State agency responsible for the collection and review of the Local Comprehensive Community Plan which outline the community's needs and their proposed strategies for housing and community facilities to address those needs.

It is important to remember that the very-low and low-income population to be served by this program have a multitude of needs, ranging from services to housing. The numerous programs MA/CD administers aids in creating a continuum of care approach to community development which addresses comprehensively the needs of this population and brings them to self-sufficiency.



## Evidence of the applicant's legal existence.

In the 1996 budget revisions, the State's Community Development Block Grant program and its staff were transferred to the Municipal Affairs, Community Development along with all other economic and community development programs administered by them. Municipal Affairs, Community Development and currently under the auspices of the Expenditures Division.

The FY'2000 State budget establishes a new agency, the Housing Resource Commission. The Community Development staff, as of this date, is not part of this agency. If this changes, all duties and responsibilities of this office will be transmitted with this staff.

Most recent audited statement and a current financial statement dated and signed by the authorized officer of the entity showing the amounts and specific nature of assets and liabilities together with information on the repayment schedule and status of any debt(s) owed by the applicant.

The Office of Auditor General is required by Section 22-13-4 of the General Laws, federal Single Audit Act of 1984 and the Office of Management and Budget (OMB) Circular A-128/133, "Audits of State and Local Governments" to conduct an annual financial and compliance audit of the State of Rhode Island. As part of this audit, the Municipal Affairs, Community Development, CDBG program is reviewed for compliance with applicable laws and regulations.

The purpose of the audit is to determine whether MA/CD has an internal control system to provide reasonable assurance that it is administering the CDBG program in compliance with applicable laws and regulations, and has complied with laws and regulations that may have a material effect on its financial statements. The audit is conducted in accordance with generally accepted auditing standards; the provisions of Government Auditing Standards issued by the Comptroller General of the United States; the provision of OMB's Compliance Supplement - Uniform Requirement for Grants to State and Local Governments (the "Compliance Supplement"); and the provisions of OMB's Circular A-128/133.

The audit includes a study and evaluation of the system of internal accounting and administrative control used by MA/CD to administer the federal assistance program (CDBG) and to insure compliance with applicable federal laws and regulations, and a review its schedule of federal financial assistance. It includes such test of the accounting records and such auditing procedures as considered necessary in the circumstances.

Attached is the CDBG portion of the most recently completed State of Rhode Island, Municipal Affairs, Community Development CDBG Program annual audit for the period ending June 30, 1996. Also attached is the MA/CD's response relative to this audit. The recommendation noted has been taken under advisement and procedures have been adopted to assure non-recurrence of the situation. Be advised the full audit was not received by this office due to the lack of significant findings.

The prior year audit, for the period ended June 30, 1995, contained no findings or recommendations relative to the State's Community Development Block Grant Program. Attached please find the Auditor's General's response to that audit.

The State MA/CD is very proud of its record for operating the CDBG program in an efficient and effective manner. This office's administration of the RI HPG program will be as impeccable. If more information is necessary, please contact Michael Tondra at (401) 222-4411.

A brief narrative statement which includes information about the area to be served and the need for improved housing (including both percentage and actual number of both low-income and low-income minority households and substandard housing), the need for the type of housing preservation assistance being proposed, the anticipated use of HPG resources for historic properties, the method of evaluation to be used by the applicant in determining the effectiveness of its efforts (according to paragraph (b)(1)(xii) of this section).

Rhode Island suffers from a continually aging housing stock. By 1990 despite the addition of 44,677 new housing units over the past decade, the median age of housing was 42 years for all units and 60 years for rental housing. In 97,534 (48%) of housing units in entitlement areas were built before 1940, while 33,189 (15.7%) were constructed after 1979. Over 50% of the rental housing in Rhode Island is in the form of aged stick-built two and three decker walk-ups with two to four units per structure. It is not surprising, given the age and type of housing stock, that 9,900 rental units and 4,100 owner-occupied units have physical defects. In addition, another 42,800 lack central heating. (American Housing Survey for the Providence-Pawtucket-Warwick Metropolitan Area in 1988.). These situations are similar in the rural communities; deterioration of existing units is a serious problem throughout the State.

Statewide there are 3,800 housing unit with severe physical problems. A unit has severe physical problems if it has any one of the following problems:

- Plumbing: Lacking hot or cold piped water or a flush toilet, or lacking both bathtub and shower, all inside the structure for the exclusive use of the unit.
- Heating: Having been uncomfortably cold last winter for 24 hours or more because the heating equipment broke down, and it broke down at least three times last winter for at least 6 hours each time.
- Electric: Having no electricity, or all of the following three electrical problems: exposed wiring; a room with no working wall outlet; and three blown fuses or tripped circuit breakers in the last 90 days.
- Upkeep: Having any five of the following six maintenance problems: water leaks from the outside, such as from the roof, basement, windows or doors; leaks from inside structure such as pipes or plumbing fixtures; holes in the floors; holes or open cracks in the walls or ceilings; more than 8 inches by 11 inches of peeling paint or broken plaster; or signs of rats or mice in the last 90 days.

Hallways: Having all of the following four problems in public areas: no working light fixtures; loose or missing steps; loose or missing railings; and no elevator.

A unit has Moderate physical problems if it has any of the following five problems but none of the severe problems:

Plumbing: On at least three occasions during the last 3 months or while the household was living in the unit if less than 3 months, all flush toilets were broken down at the same time for 6 hours or more.

Heating: Having unvented gas, oil, or kerosene heaters as the primary heating equipment.

Upkeep: Having any three of the overall list of six upkeep problems mentioned above under severe physical problems.

Hallways: Having any three of the four hallway problems mentioned above under severe physical problems.

Kitchen: Lacking a kitchen sink, refrigerator, or burners inside the structure for the exclusive use of the unit.

The attached chart displays the condition of the housing stock statewide. This should adequately display the need for housing preservation assistance.

The program is designed to encourage the rehabilitation of historic building in a manner that realistically meets the needs of low and very-low income homeowners while preserving the historic and architectural character of such buildings.

Before the rehabilitation of any structure, it must be determined whether the proposed activity would affect property that is on or is eligible for the National Register of Historic Places. At a minimum, the recipient shall request the State Historic Preservation Office to provide any information relevant to the proposed project area. A recipient shall also examine proposed project activities and affected structures against the criteria for evaluation at 36 CFR Part 63 as to their eligibility for the National Register.

If the recipient determined that a property that is on or eligible for the National Register will be affected it must (a) plan the activity in accordance with the Secretary of the Interior's Standards for Rehabilitation and (b) provide the State Historic Preservation office 45 days to comment on the proposed activity. In applying these Standards, the recipient should give due consideration to the Secretary of the Interior's Guidelines for Rehabilitating Historic Buildings which provide advise for planning work under the Standards.

The \$10,000 cap per project is waived for structures requiring historic preservation improvements. A more comprehensive treatment of historic preservation procedures is on page 63.

A statement containing the component for alleviating overcrowding as defined by S1944.656 of this subpart.

Overcrowding is defined as having more than the ideal number of persons residing in a unit, as indicated in the following table:

Number of Bedrooms	Ideal Number of Persons
0	2
1	2
2	4
3	6
4	8
5	10

The State will obligate funds to the project on a first-come first-serve basis. If multiple application are received concurrently, and funds are insufficient to fund all applications, preference will be given to applications that eliminate overcrowding as defined above.

The State MA/CD will also identify overcrowding as a preference with the HPG program at the local application level. If multiple applicants are received, and the municipality is aware that insufficient funds are available to fund all applications, the Town should attempt to fund application from homeowners who do not exhibit overcrowding from another source, such as CDBG, and submit the application which would eliminate overcrowding to the RI HPG program.

To demonstrate the need to address overcrowding in our State, the following chart outlines the number of housing units in eligible areas which contain greater than one person per room.

City/Town	Units w/ >1 person/room
Charlestown	33
Coventry	137
Cranston	305
Exeter	48
Foster	23
Glocester	53
Hopkinton	42
Jamestown	20
Johnston	107
Lincoln	51
Little Compton	20
Narragansett	66
New Shoreham	11
North Kingstown	94
Portsmouth	51
Richmond	39
Scituate	41
Smithfield	51

South Kingstown	131
Tiverton	53
West Greenwich	19
Westerly	110
TOTAL	1,505

A list of other activities the applicant is engaged in and expects to continue, a statement as to any other funding, and whether it will have sufficient funds to assure continued operation of the other activities for at least the period of the HPG grant agreement.

This proposal is requested for the FY'2000 funding year. CDBG funds, which are proposed to be used to supplement/leverage have been allocated to the State of Rhode Island for FY'2000 at \$5,637,000. This program will continue operations for at least the period of the HPG grant agreement. The priorities of the program, housing and economic development, have remained unchanged. Housing rehabilitation programs will continue to be funded throughout the State.

Additionally, program income revolving loan funds has been established in several communities. This funds are regularly receiving repayments which are used to continue the program. These program funds will regularly be available throughout the period of the HPG grant agreement.

The State's other ancillary programs, such as the Emergency Shelter Grants Program, etc. have been allocated funds for the FY'2000 fiscal year and will continue operations throughout the implementation of this HPG.



Form FmHA 1940-20 prepared in accordance with Exhibit F-1 of this subpart (available in any FmHA office).



## *Exhibit I*

### *Environmental Information* *FmHA 1940-20*

#### (1) Primary Beneficiaries

Rhode Island proposes to operate a homeowner assistance program, which would provide grants to eligible homeowners to reduce the cost of repair and rehabilitation, to remove or correct health or safety hazards, to comply with applicable development standards or codes or to make needed repairs to improve the general living conditions of the residents(s), including improved accessibility by handicapped persons.

The primary beneficiaries of the RI HPG program will be the residents of the dwellings to be repaired and/or rehabilitated. If full funding is received, an estimated 3-4 residential homes will be rehabilitated for the benefit of a projected 9-12 very low- and low-income persons. Eligible activities include:

- \* Installation and/or repair of sanitary water and waste disposal system, together with related plumbing and fixtures with will meet local health department requirements.
- \* Energy conservation measures such as insulation; and combination screen-storm windows and doors.
- \* Repair or replacement of the heating system including the installation of alternative system such as woodburning stoves or space heaters, when appropriate and if local codes permit;
- \* Electrical wiring;
- \* Repair of, or provision for, structural supports and foundations;
- \* Repair or replacement of the roof;
- \* Replacement of severely deteriorated siding, porches or stoops;
- \* Alternations of the units's interior/exterior to provide greater accessibility for any handicapped person;
- \* For properties listed on or eligible for the National Register of Historic Places, activities associated with conforming repair and rehabilitation activities to the standards and/or design comments resulting from the consultation process conducted in S1944.673 of this subpart.

- \* Necessary repairs to manufactured housing provided the recipients owns the home and the site on which the home is situated and the homeowner has occupied that home on that site for at least 1 year prior to receiving HPG assistance; and the manufactured housing is on a permanent foundation or will be put on a permanent foundation with HPG funds;
- \* Additions to any dwelling (convention or manufactured) only when it is clearly necessary to alleviate overcrowding or to remove health hazards to the occupants; or
- \* RIHPG funds may be used for payment of incidental expenses directly related to accomplishing authorized activities such as fees for connection of utilities (water, sewer, gas, electric), credit reports, surveys, title clearance, loan closing, inspections, and architectural and other technical services. All fees will be in accordance with local prevailing rates and so documented.
- \* HPG funds may be used to make improvements where they do not contribute to the health, safety and well being of the occupant or do not materially contribute to the structural integrity or long-term preservation of the units. (20% cap of such uses and such work must be combined with improvements listed as eligible) These improvements may include painting, paneling, floor cover, including carpeting, improving clothes closet or shelving; improving kitchen cabinets, air conditioners, or landscape plantings.

(2) Area Description

(a)

- (1) Environmentally sensitive land uses within this geographical areas such as floodplains, wetlands and coastal areas. Please see the attached map which indicates the FEMA 100 Year Flood Zones throughout the State. The official FEMA map for each property assisted will be reviewed to assure compliance with environmental review regulations.
- (2) Presence in the geographical areas(s) of all environmental conditions such as excessive noise levels, radon gas, inadequate water supply or sewage treatment, contamination from toxic, hazardous or radioactive substances, seismic conditions, a violation of an ambient air quality standard(s) resulting from emissions from a major facility, or any other health/safety hazards known to the applicant; and

Please see the attached map which indicates major infrastructure in the eligible areas. This infrastructure includes routes, highways, bodies of water, parks, airport,

etc.

- (3) It is highly unlikely that the proposed projects will be affected by or affect any of the previously mentioned environmental conditions. The rehabilitation will be in rural areas and will be relatively minor in nature.
- (b) It is currently unknown where the specific housing rehabilitation projects will be located. It is feasible, considering the range of eligible areas, that some of the 'unknown' land uses/environmental resources may be adjacent to a housing rehabilitation site (ie. recreation, transportation). These resources would certainly not be impacted by the completion of activities on the housing units. Any units for which assistance is provided would potentially impact the resources/uses, they will be reviewed according to USDA's standards.
- (c) Please see the attached map which indicates major infrastructure in the eligible areas. This infrastructure includes routes, highways, bodies of water, parks, airport, etc. Eligible areas to be served by this program are highlighted in blue.

Residential: The program will fund rehabilitation to residential structures in rural areas. All rehabilitation will be conducted in accordance with environmental review procedures outlined in the Statement of Activities.

Floodplain: Since the individual sites are unknown at time of preapplication, it is unclear as to whether any properties assisted will be located within a flood zone. If the project is located on a flood zone as determined through environmental review, appropriate procedures will be complied with to assure no adverse impacts, including but not limited to the purchase of insurance.

Historical, Archeological Sites: Since individual sites are unknown at time of preapplication, it is unclear as to whether a property assisted will be listed on the National Register of Historic Places or may be eligible for listing. If through review procedures, a property receiving assistance is determined to be a historical property, procedures outlined in this application will be complied with.

(13) Public Reaction

- (a) The availability of the Statement of Activities was published in a newspaper of general circulation on February 18, 2000 for public comment up to 15 days. No objections to the program were received.
- (b) This office certifies that a hearing was not held directly related to this program.
- (c) All community Chief Executive Offices and community development contacts were provided a notice of the availability of a complete Statement of Activities and given a brief summary of the program. Their comments to this are included as part of this application. No objections were received.

(15) Mitigation Measures

The State will adopt Exhibit F-2 of this subpart as its general procedures for identifying, before beginning work on a particular dwelling, properties requiring USDA RD Environmental Assessment. If an environmental assessment is necessary after review under these criteria, the State will contact appropriate agencies (ie. Historic Preservation Commissions, USDA RD) for guidance to assure there are minimal environmental impacts associated with the project.

(16) Permits

- (a) No permits are required to conduct rehabilitation to residential units which remove or correct health or safety hazards, comply with applicable development standards or codes or make needed repairs to improve the general living conditions of the resident(s) including improved accessibility for the handicapped.

(17) Other Federal Actions

Descriptions of the other federal programs which are operated by the Municipal Affairs, Community Development are included in the Statement of Activities on page 28.

The Rhode Island Small Cities Community Development Block Grant Program funded through the U.S. Department of HUD, funds a variety of activities, ranging from housing to communities facilities, facilitating opportunities for low- and very low-income persons.

The State's Emergency Shelter Grants Program is a federal homeless program which primarily funds operating costs and services at homeless provider agencies throughout the State.

Both of the above programs fund activities located in the same geographical area to be served by the Rhode Island Housing Preservation Grants Program. Both programs are awarded on a block grant basis; the State was recently notified of its FY'2000 awards of \$5,637,000 (CDBG) and \$307,000 (ESGP).

The RI HPG proposal is a Statewide rural application. Therefore, although many of the indicated land uses may be located with or adjacent to the potential project sites/eligible areas, it is unlikely that any will be affected by the proposal.

Description of its process for:

Identifying and rehabilitating properties that are listed on or eligible for listing on the National Register of Historic Places.

The program is designed to encourage the rehabilitation of historic building in a manner that realistically meets the needs of low and very-low income homeowners while preserving the historic and architectural character of such buildings.

There is an established mechanism for determining whether the buildings proposed for rehabilitation are historic properties and whether rehabilitation may affect historic properties.

Before the rehabilitation of any structure, it must be determined whether the proposed activity would affect property that is on or is eligible for the National Register of Historic Places. At a minimum, the recipient shall request the State Historic Preservation Office to provide any information relevant to the proposed project area. A recipient shall also examine proposed project activities and affected structures against the criteria for evaluation at 36 CFR Part 63 as to their eligibility for the National Register.

If the recipient determined that a property that is on or eligible for the National Register will be affected it must (a) plan the activity in accordance with the Secretary of the Interior's Standards for Rehabilitation and (b) provide the State Historic Preservation office 45 days to comment on the proposed activity. In applying these Standards, the recipient should give due consideration to the Secretary of the Interior's Guidelines for Rehabilitating Historic Buildings which provide advise for planning work under the Standards.

If the recipient, in consultation with the State Historic Preservation office, determines that the proposed activity cannot reasonably meet the Secretary of the Interior's Standards for Rehabilitation or would adversely affect property on or eligible for the National Register, it must provide the Advisory Council on Historic Preservation an opportunity to comment on the proposed activity in accord with 36 CFR 800.6(b) and (c) of the Advisory's Council's regulations.

The State HPG will be coordinated with other public/private organizations and programs that provide assistance in the rehabilitation and preservation of historic properties, such as the State's Small Cities Community Development Block Grant program.



It should be noted this program has been developed in consultation with the State Historic Preservation officer (SHPO).

The following laws, executive order and federal regulations related to historic properties will apply to activities conducted under the RI HPG program.

1. The National Historic Preservation Act of 1966 (P.L. 89-665, 16 U.S.C 470). Section 106 of this Act requires that, prior to the undertaking of a Federal or Federally-assisted project, its effects on any district, site, building, structure and object listed in, or eligible for the National Register of Historic Places shall be evaluated; and that the Advisory Council on Historic Preservation (hereinafter Advisory Council or ACHP) shall be given a reasonable opportunity comment on the proposed undertaking.
2. Executive Order 11593, Protection and Enhancement of the Cultural Environment, May 13, 1971 (36 FR 8921, May 15, 1971), requires that Federal plans (including Title I programs) contribute to the preservation and enhancement of sites, structures and objects of historical, architectural or archeological significance.
3. The Reservoir Salvage Act of 1960 as amended by the Archeological and Historic Data Preservation Act of 1974 (P.L. 95-291, 16 U.S.C. 469). The main objective of this Act is the preservation of historic and archeological data that would otherwise be lost due to Federal development and construction activities or as a result of Federally licensed or funded activities such as those funded under Title I program of the Department.
4. 36 CFR Part 800, Procedures for the Protection of Historic and Cultural Properties (44 FR 6068-608 January 30, 1979). The Section 106 procedures as implemented in these regulations of the Advisory Council is designed to ensure that the title I proponent of an undertaking take into account its effects on properties included in or eligible for inclusion in the National Register of Historic Places; and to assure that alternatives to avoid or mitigate adverse effects on listed or eligible National Register Properties are adequately considered in the planning process by the proponent agency.

The State intends to comply with all stipulations outlined in the Programmatic Memorandum of Agreement between the Farmers Home Administration, The National Conference of State Historic Preservation Officers, and the Advisory Council on Historic Preservation regarding the implementation of the Housing Preservation Grant Program (following), including the objectives as outlined in Attachment #1, the procedures for the identification of historic buildings in the Housing Preservation Grants Program outlined in Attachment #2 and regulations regarding contacting the Advisory Council on Historic Preservation when necessary as outlined in Attachment #3.

Description of its process for:

Identifying properties that are located in a flood plain or wetland.

The State has adopted Exhibit F-2 of this subpart as it's general procedures for identifying, before beginning work on a particular dwelling, properties requiring USDA RD Environmental Assessments.

Description of its process for:

Identifying properties located within the Coastal Barrier Resources System.

The State has adopted Exhibit F-2 of this subpart as it's general procedures for identifying, before beginning work on a particular dwelling, properties requiring USDA RD Environmental Assessments.

Coordinating with other public and private organization and programs that provide assistance in the rehabilitation of historic properties (Stipulation I, D, of the PMOA, FmHA Instruction 2000-FF, available in any FmHA office).

The Municipal Affairs, Community Development office has an established relationship with the statewide agencies which provide monies for housing rehabilitation, including monies for the rehabilitation of historic properties.

Since its inception in 1982, the State MA/CD has operated the HUD Small Cities CDBG program, which provides assistance to local cities and towns that do not receive their funds directly from HUD, for various activities for the benefit of very-low and low-income persons. A large percentage of the State's annual allocation, \$5,637,000 in FY'2000, will be used for housing rehabilitation grant/loan programs throughout the State, including the rural areas eligible under the HPG (with the exception of Cranston which is an entitlement CDBG community). The Small Cities CDBG program and program income generated from such is the primary sources of housing rehabilitation monies in rural communities.

The State MA/CD has promoted the creation and funds the operation of housing consortia, which are regional housing agencies which provide housing rehabilitation and other services to a number of communities in an area who are unable to successful operate such a program on their own. Having such a housing consortia enables economies of scale in the administration of the programs. Weatherization - DOE Weatherization monies are available through the State's Energy Office. The Energy office is under the Department of Administration, of which this office is a part.

Rhode Island Housing and Mortgage Finance Corporation (RIHMFC) - This quasi-state agency provides substantial amounts of money for housing rehabilitation and development. The Supervisor of Community Development serves on the RIHMFC HOME program steering committee, which reviews proposals and makes award decisions relative to the HOME program. The MA/CD also works in conjunction with RIHMFC on many issues, including the preparation of the State's Consolidated Plan which assesses the housing and non-housing needs of the State and contains action plans relative to the CDBG, HOME and ESG programs.

MA/CD also served as primary staff to the Rhode Island Interagency Council on Homelessness and Affordable Housing (now the HRC, OHES). This Council in a collaboration of various State, federal and non-profit agencies all with interest in housing and homelessness issues. Being an active participant in the Council enables this office to stay abreast of new developments and issues related to housing and to network, creating strong linkages between the public/private non-profit sectors.

Bill Sheridan, Supervisor of Local Planning Assistance associated with the Municipal Affairs, Community Development office is active in Rural Development issues, including the development of the State's Rural Development Council. This office is a true stakeholder in rural housing development issues. Funding this program could be viewed as a true partnership on the federal level to create housing opportunities for very low- and low-income persons.

MA/CD is also the State agency responsible for the collection and review of the Local Comprehensive Community Plan which outline the community's needs and their proposed strategies for housing and community facilities to address those needs.

MA/CD staff also deal with the Department of Health in the operation of the Lead Based Paint Abatement Program.

Evidence of SHPO concurrence in the proposal, or in the event of Summary of Comments:

The State Historic Preservation Commission was contacted previous to and during the preparation of the Statement of Activities for the RI HPG program. Procedures and recommendations were discussed and included as part of the final draft Statement which was forwarded to them with the attached letter of transmittal for review and comment. The State's Historic Preservation Office has been instructed to make any comments and/or concerns to the USDA, RD office.

Written statements and related correspondence reflecting compliance with S1944.674 (a) and (c) of this subpart regarding consultation with local government leaders in the preparation of its program and the consultation with local and state government pursuant to the provision of Executive Order 12372.

The Statement of Activities was made available for public review/comment. The announcement of its availability was published in a newspaper of general circulation for the project area, the Providence Journal. The Providence Journal is the State's primary and sole newspaper of general circulation. A period of 15 days, ending March 5, 2000, was allowed for public comment.

It should also be noted the State's CDBG program requires hearings be conducted to obtain the public's views on the operation of the State's CDBG, HOME and ESG programs. Regional hearings were conducted with this purpose and any pertinent comments were taken into consideration in the development of the Statement of Activities.

The State has consulted with leaders from the governments of the area which HPG activities will take place for the purpose of assuring that the proposed HPG program is beneficial and does not duplicate currently activities. A letter stating the availability of a complete Statement of Activities and a summary of the program was forwarded to all eligible area Chief Elected Officers and Community Development contacts for review and comment (attached).

The following comments were received:

\*\*

The HPG program is subject to the provision of Executive Order 12372, which requires intergovernmental consultation with State and local officials. The Statement of Activities was submitted to the single point of contact, Kevin Nelson, for the State prior to submitting this proposal to USDA RD. Comments and recommendations made through the intergovernmental review process are for the purpose of assuring consideration of State and local government views. The following letter verifies compliance with Executive Order 12372.



Statement of activities available to the public for comment prior to subcommission to FmHA pursuant to S1944.674 (b0 of this subpart. The application must contain a description of how the comment (if any were received) were addressed.

The Statement of Activities was made available for public review/comment. The announcement of its availability was published in a newspaper of general circulation for the project area, the Providence Journal. The Providence Journal is the State's primary and sole newspaper of general circulation. A period of 15 days, ending March 5, 2000, was allowed for public comment.

Summary of Comments:

\* \*

It should also be noted the State's CDBG program requires hearings be conducted to obtain the public's views on the operation of the State's CDBG, HOME and ESG programs. Regional hearings were conducted with this purpose and any pertinent comments were included in the attached Statement of Activities.

Form FmHA 400-1, "Equal Opportunity Agreement" and Form FmHA 400-4 "Assurance Agreement" in accordance with S1944.674 (c) of this subpart.

The State of Rhode Island prohibits discrimination in the provision of assistance/housing with regard to race, color, religion, sex, sexual orientation, national origin, age, familial status, or handicap.

As required, to affirmatively further fair housing, each small city is required to complete one action in an effort to alleviate impediments to Fair Housing. Actions will be maintained in a separate file and will include community contacts to community organization, community leaders, including minority leaders, by name, race and date contacted; copies of all advertising in local newspapers, and through other media. This office encourages the use of minority-owned media sources and will report on use of such and patronage by race/national origin; copies of other advertising and other printed materials. Application form should include the nondiscrimination slogan "This is an equal opportunity programs. discrimination is prohibited by Federal Law".

The State will comply with Fair Housing requirements and the nondiscrimination requirements of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1983 and the Age Discrimination Act of 1975.

Other Certifications :

Form AD-1047 - Certification Regarding Debarment, Suspension, or Other Responsibility Matters - Primary Covered Transactions.

Form AD-1047 - Certification Regarding Debarment, Suspension, or Other Responsibility Matters - Lower Tier Covered Transactions.

Form AD-1049 - Certification Regarding Drug-free Workplace Requirements (Grants) Alternative I - Grantees Other Than Individuals







Support Letters: